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Near East/South Asia Report

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MOROCCO

BRIEFS

LOAN FOR DAM PROJECT--Saudi Arabia and Kuwait have agreed to lend nearly \$80 million to cover the local currency costs of an irrigation scheme at Ait Youb, near Fes (MEED 3:5:86). The Saudi Fund for Development is lending SR 165 million (\$44 million); the Kuwait Fund for Arabic Economic Development (KFAED) is providing KD 7 million (\$23.6 million). The loans, which carry 2-1/2 percent annual interest, are for 25 years; the first repayments are due in 1992. The scheme will entail building a dam, an associated tunnel and a 241-MW hydroelectric power station, and supplying Fes with drinking water. The loans will cover roughly 60 per cent of the local currency portion of the project's original MD 1,500 million (\$166 million) budget. Companies bidding for the dam and tunnel contracts are said to have priced the work substantially lower. Bidders have been asked to finance the estimated \$50 million foreign currency portion themselves. [Text] [London MEED in English 21 Jun 86 pp 22, 23] /9274

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1 August 1986

SUDAN

SARAH AL-MAHDI INTERVIEWED ON WOMEN'S ISSUES

London AL-TADAMUN in Arabic 21-27 Jun 86 pp 26-28

[Interview with Sarah al-Fadil, wife of Prime Minister al-Sadiq al-Mahdi, and member of the Ummah Party General Secretariat, by Fath-al-Rahman Mahjub: "Women Politicians in the Sudan: Sarah al-Fadil, First Woman To Hold a Post in the Ummah Party General Secretariat"; Khartoum, date not given]

[Text] Those who followed the parliamentary elections that took place in the Sudan this April observed a new phenomenon in the political arena: women outnumbered men in registration to vote. The interest of women in registering was great and clear, and the effect of this interest was decisive in the elections, especially since estimates indicated that women formed 54 percent of the total of those who registered to vote in the Sudan.

Although the phenomenon of women's participation in the political arena is not a new matter in the Sudan, the recent election caused women to become an electoral force not to be undervalued. A striking fact was that the strong women's interest in registration was not reflected in their representation in the Constituent Assembly. Only two women representatives were from the National Islamic Front. One may go even further and say that the total number of women nominated as candidates by the political parties taken as a group was not in keeping with the proportion of female registration to vote. While some people think that this deficiency is a result of political parties that still are afraid to nominate larger numbers of women, others say that the responsibility lies with women, who still hesitate to enter the arena of politics.

AL-TADAMUN met with three women known for their activity in politics and in defense of the cause of women and had discussions with them about the problems of women in the Sudan. These women were: Sarah al-Fadil, the wife of Prime Minister al-Sadiq al-Mahdi, and the first woman to enter the Ummah Party General Secretariat, Dr Su'ad al-Fatih, one of two women representatives in the Constituent Assembly (the parliament), and among the leaders of the National Islamic Front, and Fatima Ahmad Ibrahim, who was the first woman to enter parliament during the sixties, and who is still very active in politics and in defending women's issues.

Those who know Sarah al-Fadil, the wife of the Sudan's current prime minister, al-Sadiq al-Mahdi, know that she was among the key figures active in the "Ummah" party in the period just ended. She was subjected to imprisonment and prosecution, and was forced to take refuge in exile in London because of her participation in the movement of opposition to the previous regime and because of her role in the secret and public political activity carried on by the Ummah Party in cooperation with the other political parties.

As a result of her efforts, Mrs Sarah al-Mahdi has become the first woman to enter the Political Bureau of the Ummah Party. After the April 1985 uprising and the conference of the Ummah Party, which is headed by al-Sadiq al-Mahdi, she was elevated by election to be the only woman in the party's General Secretariat, a leadership bureau of five individuals who stand at the summit of the organs and bureaus of which the Ummah Party is composed. She was also responsible for the job of overseeing elections in the constituencies of the National Capital District on behalf of the Ummah Party, a weighty and serious responsibility, in view of the large number of capital constituencies and the sharpness with which they were contested, in addition to the high level of political consciousness in them.

Sarah al-Fadil was born during the thirties. She received her university and higher education in the United States, where she obtained a master's degree in the social sciences. She married her maternal cousin, al-Sadiq al-Mahdi, during the sixties and has five children.

AL-TADAMUN met Sarah al-Fadil at her office in the Ummah Party building in Omdurman. Here is the text of the conversation:

[Question] Do women have a cause? From what point of view do you see it?

[Answer] Women have an obvious and pressing cause. For years, women have continued to suffer from oppression and impairment of their humanity, with men imposing their opinion and will upon us in various ways. Hence, the need has arisen for women to unite to work for a solution to this problem.

The women's issue differs in magnitude and dimensions in various regions of the world. In the Sudan, for example, we have suffered greatly for a long time. We worked to alleviate the weight of this, obtaining many demands and legal rights. Nevertheless, we still suffer a great lack. Although women work with the same ability and in the same fields of activity as men, they receive salaries that are less than those of their male colleagues and obtain fewer employment advantages than men.

All these injustices have given women a special cause that must be looked into and for whose solution serious and persistent work is necessary. As Muslims, we find that Islam, according to its Noble Book, has not shortchanged women in political, social, and economic rights. God speaks to women, saying, "And the believers, the men and the women, are friends one of the other; they bid to honor, and forbid dishonor." [Koran 9:71] A Muslim's entire work is nothing but that.

[Question] What is your position in the Ummah Party on this subject?

[Answer] When we in the Ummah Party devoted a special secretariat to women, the goal was to work earnestly so that this secretariat would obtain for women their rights that had been violated and help women to reach a position that would enable them to participate in all areas of life without discrimination. This has not stopped us from working in other areas. The first involves the woman who has not received a great deal of education. We think that the women's secretariat should take an interest in the affairs of such women in order to eliminate their illiteracy and to train them in various arts of life. As for educated women, they have entered all the organs of the party on an equal footing with men. We are now represented in the Political Bureau of the party by five women members, and in the five-member General Secretariat by a single member (Sarah al-Mahdi herself). In all secretariats and bureaus functioning within the party, the door is wide-open for women to enter by virtue of their ability, knowledge, and experience, not because of their sex.

Since the illiteracy rate among women in the Sudan is high, we are working in the field of religious and secular education to remove this burden from women. We also work with women in the areas of health and home economics and in the other necessary areas to facilitate women's reaching a position that will enable them to enter the bureaus of the Ummah Party with their abilities. So it is clear to us that women have a special problem that must be recognized, and that hard work is needed to solve it. This is the approach of the Ummah Party and the line it adopts concerning the Sudanese woman.

[Question] Sometimes the women's issue is exploited politically, given the fact that women have come to form an available source [of votes], now that they have obtained their political rights. What is your comment on this?

[Answer] Fearing that women might be taken unawares and used as expédients to gain votes in elections, for example, or might be exploited as you mentioned, we in the Ummah Party had an idea. When the government asked the political parties for their conception of how the elections should be run and the electoral constituents distributed, we in the Ummah Party thought that electoral constituencies should be set aside for women. We suggested this among the ideas we proposed, wanting a guarantee that Sudanese women would be represented in parliament. As you surely know, we in the Sudan now suffer from a great problem: the preference for men over women. This preference for men exists even on the part of women themselves. Sometimes, when two candidates, a man and a woman, are competing, we find that most of the voters prefer to give their votes to the man merely because he is a man. Therefore, we in the Ummah Party believe that women must be liberated and enjoy their God-given rights and the rights supported by the noble prophetic tradition in which the Chosen One [Muhammad]--may God bless him and grant him peace--said, "Women are the likes of men."

Women in the Sudan, it should be noted, form half the society and more: some statistics indicate that women form 54 percent of the population. This is a huge human force that must be engaged to promote the economy and development in the Sudan. From the ethical standpoint, we all know that

the woman is the active element in raising children. What she implants in the child's mind during the first 5 years forms the basic principles in the life of that child for the future. Also, the woman is mother, wife, sister, and daughter. In this capacity, she helps and shares in decision-making within the family. Decision-making within the family shapes decision-making within the society. This being the case, Sudanese women have a position from the standpoint of numbers, from the standpoint of ethics, and on the basis of their effect in society. It is therefore the duty of any conscientious political party or any group or organization seeking the good of its members and of the citizenry to pay attention to the women's issue, to advocate eliminating the wrongs suffered by women, and to work to raise women's consciousness and education, so that mature generations will in the future be available to the country.

We in the Ummah Party are well-aware and fully recognize this. We want the woman to occupy her exalted station and to know that, just as she has duties toward men, so she is owed rights. Men, too, have rights and duties toward her, even as she has toward men. In this they are equals, differing only in matters pertaining to the organization of the family and the preservation of leadership and guardianship within the family. This, however, does not conflict with the social, economic, and political rights of women that we have been discussing.

We know and see around us now some political parties that are trying to exploit the women's issue to gain women's votes and to deceive women in proportion to their lack of experience in these areas and recent acquaintance with politics. They are exploiting women only for partisan gain. We do not want this. All we are seeking is that women should be aware of their rights and duties and that they should learn such useful knowledge as will guarantee us a noble life for future generations.

[Question] Yet, we observe that in this April's elections women candidates of the Ummah Party were few; there was, in fact, only one.

[Answer] Yes, and that goes back to the very reason I mentioned to you at the beginning. We nominated six women candidates in the geographical constituencies. They were subjected to pressures from the citizens themselves, including men from the Ummah Party, and to pressures from family acquaintances, and benefactors; Sudanese men and women alike were included. This caused them all to withdraw. We at Ummah Party headquarters do not nominate; the committees in the constituencies do. The committees of the six constituencies were convinced of the ability of the women in question. They were in fact nominated, paid the scheduled fees, and registered as candidates, but the pressures did their work, except in the case of one Ummah Party woman candidate in the constituencies for graduates. Knowing this in advance, we asked the Board of Elections and the government to set aside constituencies for women, like the ones set aside for graduates. Our hopes were dashed when it was decided not to do so, thus depriving all the modern forces of representation in constituencies set aside for them.

[Question] Do you consider yourself an advocate for the cause of women, or a party politician? In other words, would you rather support any woman

candidate from any party, merely because she is a woman, or would you prefer supporting a male candidate because he represents the Ummah Party?

[Answer] My point of departure is to give preference to ability. If there were a woman candidate superior in ability to the male candidate of the Ummah Party, I should without a doubt prefer such a woman candidate, even if she belonged to some party other than the Ummah. In this regard, you could call me an advocate for the cause of women. Actually, I am for ability and for the person who is good for the position, without distinction of sex, male or female, and without any other distinction, such as ethnic group or political bloc. But as regards doing away with the wrongs that women suffer, I am without a doubt a zealot and side with women.

[Question] Historically, it is said, the Ummah Party did not pay much attention to women. What do you say about this?

[Answer] My response is that such an account of history is incorrect. Women in the Ummah Party have entered the public arena ever since the period of the Mahdiyyah (the last quarter of the last century). Women in the Ummah Party entered the khalwahs (irregular primary schools in which the concentration was on religion and Arabic language) as children with men and studied the Koran and the Ratib (the religious lessons and directives considered to be the heritage of the Mahdiyyah movement) side by side with men. Sometimes, women would be in the same class or the same khalwah with men. Indeed, she would go over and correct her lesson slate with the same teacher who went over and corrected the men's slates (the "slate" was a rectangular wooden board that was used as a substitute for paper in writing). Women competed with their male colleagues in memorizing the Koran and the Ratib. Sometimes the man would be in a men's khalwah, and the woman in a women's.

In the Mahdiyyah movement, women worked as a vanguard for the armies, scouting out information about the enemy. Rabiha al-Kinaniyah, who had a significant role in the Battle of Shaykan (in which the Mahdi defeated the armies of (Hicks) Pasha in Kordofan, thus bringing about the turning point needed for the victory of the Mahdiyyah revolution), ran all night as fast as she could to bring the Mahdi--peace be upon him--news of (Hicks), his equipment and preparations, and what she had heard about his soldiers and plans. This greatly helped the Imam al-Mahdi in making an appropriate plan for confronting the hostile army. And in fact, the Imam al-Mahdi's plan, based on information brought by Rabiha al-Kinaniyah, was successful.

Besides Rabiha al-Kinaniyah, there were many women during the Mahdiyyah period who entered battles. If they were not fighters, they gave encouragement or nursed the wounded. They strengthened the resolve of the men by their zealous words. Women, indeed, had a special place during the time of the Mahdiyyah. They also had a place during the colonial period, when Shaykh (Babikr) Badri opened the al-Ahfad Schools for Girls. The first people with whom these schools opened were the daughters of Imam 'Abd-al-Rahman al-Mahdi, the daughters of Shaykh (Babikr) Badri, and the daughters of the Mahdi's most eminent supporters--with great encouragement from

Imam 'Abd-al-Rahman al-Mahdi. Throughout his life, Imam 'Abd-al-Rahman continued to support women's education, the cause of women, and such women's associations as the Red Crescent and the Sudanese Women's Advancement Association, which was founded with the late Mrs Rahmah 'Abdallah Jadallah (al Sadiq al-Mahdi's mother) as its head. It was a women's association formed in the Sudan for social and political work.

[Question] What about the leadership positions in the Ummah Party?

[Answer] Throughout the history of the Ummah Party, there has been an Ummah Party Women's Organization. Women, however, were not represented in the Political Bureau, and the office of secretary for women in the party leadership was always allotted to men. Even after the October 1964 revolution, when women of the Ansar played a prominent role in elections, campaigns, and general party work, with delegations of women holding political receptions in all areas of the Sudan and campaigning for the party as women's delegations, women were not represented in the Political Bureau of the Ummah Party.

Women entered the Political Bureau of the Ummah Party during the period that has just ended, and they did so in the context of secret political activity.

[Question] Which women entered the Political Bureau?

[Answer] I did. I frequently found myself to be the only one of the leaders out of prison. I worked with many women other than myself and with many men. Since that time, women have themselves entered the Political Bureau as members, not represented by proxy, as had been the case before the May government (the period just ended).

After the uprising of April 1985, women entered the Political Bureau of the Ummah Party with three members, and the Executive Bureau of the Party with one member. After the general convention of the Ummah Party was held, the number of women representatives in the Political Office of the Ummah Party rose to five. They were elected at the general convention from many candidates of both sexes. The number of female candidates was 38 initially. After some of them withdrew, the number came to be 17. Those at the convention also had to elect five members of the General Secretariat (the five-member leadership of the party). A woman (Mrs Sarah al-Mahdi herself) received the third largest number of votes.

Therefore, women in the Ummah Party enjoy a high position. The party and its leader constantly and always encourage women's participation in everything. Women participated in the party's election campaigns. They participated in holding political receptions, in conducting discussions, and in everything in the various areas of the Sudan. In all the working committees of the party--not to mention the women's committees that especially serve the issue of women--and in the various top positions of responsibility, there are now women's representatives at the district and regional levels and within the organs of the party.

[Question] Outside the framework of party work, are there organizations whose activities, at the initiative of the party, relate to women and their problems?

[Answer] Yes. The Ummah Party and women in the Ummah Party were the first who called for the formation of a national women's organization after the Rajab [April 1985] uprising. Meetings were in fact held regarding this national women's organization. We issued an invitation from the Ummah Party to all women's organizations in the various political parties and to women's charitable and family organizations, such as the Shaykh (Babikr) Women's Association, the al-Nujumi Women's Association, etc. There are large Sudanese families that have established family women's associations. The invitation was accepted, and several meetings took place, as I have previously mentioned. We found great support for the idea of a national women's grouping to serve the women's issue generally, without siding with any party. We in the Ummah Party formulated an idea and discussed it with the other representatives of the political parties and various women's associations. We heard and received many ideas on the subject. However, the impetus of our meetings and of our division into committees to draft a constitution and bring the idea into the realm of reality was somewhat impeded because of election activities. Now that the elections are over, we will continue these meetings and move ahead in carrying out the idea. The Ummah Party gives it its blessing, because the party, in its modern cast, greatly depends on the nationalist approach. There is another association that is related to the Ummah Party: the al-Mahdi Women's Charitable Association. The first action that this association undertook was to hold a meeting to make the matter of marriage easier.

[Question] What are the parties that supported your initiative? For what purpose did the initiative arise?

[Answer] Almost all the parties: Democratic Unionist, National Unionist, Arab Socialist Ba'th, Communist, and the Sudanese Rural Solidarity Forces. In short, all the parties shared in our initiative, except for the National Islamic Front. We addressed an invitation to them, but they did not respond. In addition to the women's charitable and family associations I have already mentioned, the Association for Maternity and Child Care, the Red Crescent, and other associations supported us.

As for the purpose behind the initiative, we saw that certain political agencies were arrogating to themselves the right to speak in the name of Sudanese women generally and without restraint in national and international forums. We thought that this was something illegitimate, because these agencies do not represent Sudanese women. We therefore suggested the creation of a body that would really represent Sudanese women and be the legitimate spokesman for Sudanese women in the areas I have mentioned. Second, we saw that we as women have problems that particularly concern us: penetrating the barriers of the parties--and the parties vary in their recognition of women's rights and in their effort to help women. We are working as women to solve our problem, acting on the basis of the proverbial saying: "Nothing scratches your skin like your own fingernail."

We are women who suffer the same injustices and complain of the same sickness and pains. So we thought that we should join ranks in the service of this problem with its political, economic, and social aspects. This is what led us in the Ummah Party to call for the formation of a national women's organization.

[Question] What is the political program of the Ummah Party? What distinguishes the Sudanese woman and her problems?

[Answer] The program of the Ummah Party is distinguished as regards women and the women's issue by the fact that it fully acknowledges the complete right of women to political, economic, and social life, and that women suffer greatly from social injustices that injure them as human beings. The Ummah Party espouses a solution to the problem of women and helping women to the highest positions of responsibility, whether in party organizations and offices, or in state organizations. In so doing, the Ummah Party is merely acting according to the model of what the Prophet, may God bless him and grant him peace, did when he said concerning Lady 'A'ishah, "Learn half of your religion from this little red one." Women can reach a station from which half of religion can be learned. This is a great position of seriousness; it is one which men have not found. We in the Ummah Party know that women are a great force, and that this force must be allowed to issue forth in earnest, fruitful work to build and elevate the Sudan and to insure the future generations upon which the destiny of the Sudan depends.

[Question] Do you expect that the Sudanese woman will rise to the seat of government in this third democratic period?

[Answer] Yes, I expect it and await it. It is as if I saw it as a reality in front of my eyes, for the Sudanese woman has demonstrated superior ability in all the posts that have been entrusted to her. This is clearly apparent now in the test results of school pupils and students, where girls are advancing in the framework of the competition. It is clearly apparent also in the activity of working women and in the seriousness with which women have worked in the election movement. Women's registration in many places in the Sudan was proportionally higher than men's registration. Women entered the elections with all sincerity and were far from the electoral cattle market. This goes back to the fact that women, by nature, when they do something, do it with great sincerity. Women are mothers, ready to sacrifice everything for their children. This has become part of a woman's nature, and she cannot be stripped of her maternal instinct in any activity she performs; she will perform it with the sincerity and absolute dedication that distinguish her as a mother. Furthermore, women have not been subjected to the corruptions, deceit, and hypocrisy to which men have been subjected in the wicked social practices of which we hear as having occurred during the time of the now destroyed authoritarian regime. Women are purer in nature. Therefore, I look forward and work with all that is in my power, so that women may attain--and I think they shall attain--the highest positions by their ability and their work in all the fields in which they have been active.

SUDAN

MILITIA, BANDIT RAIDS CAUSE REFUGEE PROBLEM IN SOUTH

Religious Leader Criticizes Policy

Khartoum THE GUIDING STAR in English 29 May 86 p 5

[Article by Reverend Clement Janda]

[Text] The old days, especially under the colonial era, ethnic (tribal) groups were usually disarmed by the government security forces. This was understood to be the best way of establishing law and order and fostering a new society where all people, irrespective of ethnic background, could come and live together. That was how the concept of a Sudan was started; and to my mind with a large measure of success. All people within the international boundary of this great nation consider and call themselves Sudanese.

This practice has continued very well. The security forces have been recruited from all ethnic groups, and they have been trained on proper use of arms, mainly for the protection of life and property of the citizens against lawless people, and protection of the nation against any external aggression.

Today we have no less than sixty thousand people in green, blue and white uniforms representing army, air force and navy. These are the people we, the citizens, look to for the defence of our lives and property. They belong to all ethnic groups in the country. They form a national image.

It is, therefore, absurd, indeed disturbing that a new society is being fostered where people are armed on tribal basis to fight other tribes! These people are called militia or "friendly forces", or Murahileen." Why, on earth would the government undertake this policy? For whatever it is worth, I wish to submit that this policy is immoral for the following reasons:

1. In the first place the militia are not well-trained like the army in warfare. They cannot be expected to defend the land, let alone defending themselves, against any well-trained, and well-armed forces.

It would seem to me, therefore, that encouragement of militia is a way of condemning certain tribes to genocide. It might be that some of these tribes are not aware that their war-like posture is seen as a threat to future development. So they have to be eliminated in a clever way.

2. Secondly, the concept of "friendly forces," I believe, could only be used in regard to forces of a foreign country who share the same ideas with us, and with whom we have a common enemy. In this regard the Sudanese army may regard the Egyptian or Libyan army as "friendly forces". Thus, to term militia of an ethnic group as "friendly forces" is to incite one ethnic group within the country against another. It is even to be understood that ethnic groups that do not keep militia are "unfriendly". What then becomes of the national army which is from all the ethnic groups? Is this policy not going to sow seeds of ever-lasting instability? How is the government going to settle "tribal feuds" in future, by arming each tribe and then blow the whistle for a contest?

3. The army is trained properly on the use and storage of arms of any definition. Spreading arms into the countryside is ensurance of a long distabilization. When the army carries out legitimate military action in an area where lawlessness prevails, the stigma is that the army (an institution) acted. But when the military activity were to be carried out by militia of an ethnic group, the memory will linger on for years, and one cannot rule-out the wish of the aggrieved party to organize revenge. Is this what the people of this country want to see for another thirty years? Is the government deciding to turn the Sudan into another Lebanon where each political group owns an army or militia? Why would any one dismantle this country after it has grown this far?

4. Finally, it must be stated loud and clear that we have an army which has been trained and equipped to fight. This army must tell the nation whether it has failed to carry-out its duty. If it has not failed, as I believe it has not, then the practice of arming untrained people and making them fight with rebels must stop with immediate effect. Because this is just immoral. If the army is too small, it must go on to recruit people from the nation and train them properly for combat. For God's sake, stop the militia system. It is too much of a policy of convenience. It has terrible consequence for the future.

The Prime Minister must tell the nation if, by encouraging militia and "friendly forces", and by working with rebel groups, he is licencing all political parties to have their own armies. Otherwise the nation must know that this policy of convenience is immoral.

Militia Raids Villages in Bahr al-Ghazal

Khartoum HERITAGE in English 18 Jun 86 p 7

[Text] More victims of the constant raids by the armed Marahaliin [militias; literal translation, displacer] reached Wau on 20.5.1986 from Marialbai and Achana of Aweil Area. The survivors numbered sixty-six mostly old men and women who walked on foot to Raga for fourteen days and proceeded to Wau by car.

"Cattle, goats, sheep and chickens were looted and children carried away", said one of the survivors Mr Akol Dau Akol. He further mentioned that the villages were reduced to ashes after the Marahaliin burnt down all houses.

One of the raiders was recognised by him as a certain Ramadan Jaali, an Arab of the Bagara tribe who had once visited their area accompanied by a large group of men, Ramadan appeared as the leader of the Marahaliin. Mr Akol also said that besides the massacres, the Marahaliin raped under aged virgins. Another survivor Bak Akec said the Marahaliin took away his son.

In another development reports from Gogrial said the Marahaliin have penetrated deep into Kuajok, nineteen miles south of Gogrial. The area is said to have no man's land because of the continuous fighting going on there between the Marahaliin and a huge crowd of citizens most of whom are only armed with spears while the Marahaliin carry modern weapons.

Several villagers have been killed among them. Agok Mel, Mayom Deng and others seriously beaten like Mr Majak Mayuol from Aguok area of Gogrial. The Government forces (Army) in Gogrial did not move to rescue the victimised villagers although most of the fighting has been around the town in places like Mading just across River Jur.

This has been widely interpreted as collaboration with the Marahaliin. But other sources argue that the government has to be more concerned with fighting the SPLA and not the Marahaliin.

It is to be recalled that the former interim military government of Sower El Dahab had armed citizens of Southern Kordofan and Darfur allegedly to enable them resist attacks from the SPLA. This resulted to the emergence of the Marahaliin as a menacing force bound to wipe out both human lives and properties in Northern Bahr el Ghazal and Upper Nile Areas. It remains to be seen whether the present government will still pursue the same policy.

The state of unrest in the area has created additional groups of gangsters among the citizens themselves who are locally known as "Nyigat". Whole villages have been burnt as a result of their activities with the Marahaliin and other participants in the turmoil.

Some of the displaced persons have been accommodated by the relief authorities in schools while camps are being prepared for them at "Majak" South of Wau town. Others have put up with relatives in Wau. There has been discontent from the displaced citizens because the relief authorities could not cope up with provision of food supplies to them as they pour into the town daily.

Complaints have been heard that the relief officials were using relief supplies for their own benefit or giving them out to those who do not deserve because of personal ties. Most of the homeless children are just living skeletons due to lack of medical care and malnutrition.

Another problem being faced by the displaced government employees from Gogrial, Tonj, Rumbek and Yirol is delay of their salaries for the months of January, February, March and April. When some of those officials were absent for reason beyond their will, procurations were not accepted from those authorised by them on ground that they might have joined the SPLA.

But when they reported for duty in Wau, the salaries were not paid still except for few who have good connections. Most of these officials and workers had to return to their starving children in the rural areas with neither salaries nor relief food items.

Some of them launched accusations against members of the committees set up to look after their problems. During a meeting between the Chief Executive Officer of Gogrial, Mr. Lodoviko Lual Aken and the employees of the Rural Council, some speakers charged him and those working in the committees of being responsible for loss of some sacks of grain from relief aid. They also pressed on him to accept "Towkils" [substitute officials]. The Chief Executive Officer replied that he had formed committees in accordance to the way government work is run and that they could name those whom they think might have stolen the grain.

In regard to the question of "Towkils", he said the authorities in the Ministry of Finance had pressured him not to accept "Towkils".

It has become quite clear that nobody really cares about the suffering of the displaced rural citizens. Reports from those who come from villages indicate that animals are also dying from drought as rains have not yet started up to the end of May. Many people also meet their fate on the way from the rural areas to the towns due to insecurity and some roads are lined with skeletons.

Much more is still needed to remedy the situation or there will be a catastrophe.

Bandit Raids Displace Ugandan Refugees

Khartoum THE GUIDING STAR in English 29 May 86 p 3

[Text] Thousands of Ugandan Refugees settling in camps on the eastern bank of Eastern Equatoria Province have been displaced from their camps by bandits in the area.

Reports from the eastern bank say systematic looting and killing had been going on since the beginning of April this year. So far more than 15 people have been shot dead and many children are missing in consequence of people fleeing to the bush for hiding. They are presumed dead.

The banditry followed the assassination of Mr Joseph Kebulu, a Southern Sudanese politician who was contesting for the National Constituent Assembly in a geographical constituency in the area. The Equatoria Regional authorities accused the SPLA of being responsible for the death. But the SPLA/SPLM leader, Col Dr John Garang, denied any SPLA involvement in the killing. Unconfirmed reports say, Mr Kebulu was shot by his own tribesmen, Madi, when he was pulled out of a bus travelling to Juba from Parajok. No arrests have so far been made.

Throughout April, the Madi and Acholi areas have been zones of armed robbery, looting, raping and murder.

Voluntary agencies' relief workers in the area were reported to have assessed that the death toll might rise if the situation continued. Some employees of AMREF were attacked in the area and all their properties were robbed.

The attackers have forced a stream of refugees fleeing from the settlements either to the bush or southwards to Nimule on the Uganda border. Some refugees are reported to have crossed to Uganda. Others have arrived [in] Juba seeking for either financial assistance from UNHCR or transfer to the refugee camps in the west bank. The UNHCR/PMRA compound in Juba is congested with fleeing refugees. Refugee students and others accused the UN body of not giving them enough protection in their settlements.

In late April, three UNHCR lorries ferrying relief food to the Ugandan refugees new arrivals at Magwi were attacked and shot at the Panyikwara as they were returning to base in Pageri. Two of the lorries managed to escape, but one was shot at the hydraulic pump and was garaged. The driver and passengers on board were hauled down. Their properties were all looted. The driver and the passengers which included a Ugandan refugee 'doctor' were thoroughly beaten. The women and young girls were ordered to lie on their bellies and were caned. An assistant driver was shot and wounded on the leg. According to the driver, the gunmen wore Uganda army uniforms with hats marked SPLA.

He claimed that one of the gunmen saw his mother at the spot together with refugees. The driver said that the mother of the assassin pleaded for their lives on fear of reprisal by Sudanese security. But this plea, the driver added, did not save the situation till the medical doctor repeated it in the Acholi tongue.

Some of the passengers were able to identify the bandits. They were alleged to be Acholi from the Sudanese side of the border but the majority are Ugandan Acholi. This gives a clue to the core and source of the instability in the area. Much of the violence occurred in the settlements of Madi refugees from Uganda.

According to a mid-wife from Aru/Linyi refugees settlement who fled to Juba, she was attacked in her house at 5:00 am. All her house belongings were carried away. The Madi settlers were ransacked in the camps and their agricultural fields robbed by the Acholi who divided the loot among themselves. She denied any involvement of the SPLA in the robbery. However she confirmed that the SPLA were only asking for food. According to her, when they are given the food, they cook it themselves and, after eating, they go away. They don't harass people as what is happening now.

This seems to indicate the tribal revenge might be the principle motive behind the attacks and killings. This is so because when the Uganda National Resistance Army (NRA) rolled to northern Uganda the soldiers from the Madi tribe declined to resist. But the Acholi continued to resist and this angered them. On the other hand the Acholi thought they had annihilated the Madi when they threw Iddi Amin out of Uganda in 1979. Incidentally when the Acholi ran to Sudan after the fall of General Tito Okello, they found that the Madi population remained intact in Sudan and they were well off in the refugee settlements.

As the situation seems to escalate, the authorities in Juba and the office of the UNHCR are coordinating their efforts to bring the situation to normality. Meanwhile a decision is yet to be made by UNHCR/PMRA as to what to do with the displaced refugees and those flocking into the UNHCR/PMRA compound in Pageri and Juba.

In Kampala, Uganda, the United Nations High Commission for Refugees (UNHCR) has declared an emergency in Uganda's north-western province of West Nile following an influx of Uganda refugees returning from Sudan, according to the official New Vision newspaper published on May 21, 1986.

The paper blamed the influx of refugees on attacks by armed gangs, believed to be either former Uganda army troops or Southern Sudanese rebels, in 17 refugee camps on the Sudanese bank of the River Nile.

The camps, which a few weeks ago held 30,000 registered refugees and 20,000 unofficial refugees, are now empty, New Vision said.

"The crisis has come as thousands of refugees flood back from the refugee settlements which were attacked in Southern Sudan. They are now making their way to Uganda through collection points at Pageri and Nimule in the Sudan and Pakelle near Moyo in Uganda," it said.

/9274

CSO: 4500/164

SUDAN

FOOD SHORTAGES CREATE INSTABILITY IN JUBA

Khartoum THE GUIDING STAR in English 19 Jun 86 p 3

[Text] A Pregnant woman was trampled to death when a crowd of hungry citizens scrambled for maize from the Norwegian Church Aid (NCA) cooperative shop at Hay Malakal in Juba town on June 10, 1986.

Eye witnesses claimed the woman, who was in her thirties was pushed down as she struggled to get into the cooperative shop. She was rushed to Juba Teaching Hospital but she died shortly afterwards.

The NCA was selling a kilo of maize at Ls.13.50pt as compared to the price of Ls50.00pt in the market.

Juba, a famous Southern Sudan town which was the respected seat of the fragmented Southern Region is in for troubles, as its population swells up while hunger digs into the ribs of the inhabitants.

In the past three months the town was a breathing place for displaced refugees and Sudanese nationals from the East Bank of Eastern Equatoria Province. Many citizens from Kapoeta and Torit escaped to Juba following attacks in those areas by insurgents. The situation worsened when armed men raided refugee settlements in the Acholi and Madi areas forcing thousands of refugees to flee to Juba. Although they are accommodated five miles away from Juba town and issued food by UNHCR, they always find their way back to the town looking for additional food stuff. This doubles the number of people going to the few markets.

With the increased population in the town and insecurity on Juba-Torit and Juba-Nimule roads prices of the traditional staple food stuff-maize, cassave and millet, shot up disproportionately. And with appearance of outlaws on the ever-busy Juba-Yei road in the first week of June, the situation appears to be getting out of hand.

The two major village-type markets, Konyokonyo and Rujalmafi are empty of the most essential food commodities. This was made worse when police and price control authorities raided the markets in an attempt to reduce and introduce minimum prices.

The introduction of the price control bomarang at the end of the operation. Petty traders who had few items to sell resorted into hoarding and only to sell them either at night or with an appointment through a third party.

The Government is trying to stabilize prices. But it is faced with the question of demand. When the Government announced reduction of prices, the traders fought back vigorously. The farmers at the production centres held back their produce. Coupled with insecurity on the roads in the East and West banks of River Nile no food was flowing in to Juba at least in the first week of June.

The Equatoria Trading Corporation, which is owned by the government, tried to help. It brought rice, wheat flour, sugar, onions and cooking oil. This is what people are depending on. Incidentally, these items are considered luxuries in our society. With the increased number of family heads in Juba, not even five kilos of rice will be enough for a meal. In fact, working officials from Mundari and the East Bank tribes are hosting more than twenty displaced people per household. It is not only hunger that threatens life. Any outbreak of epidemic disease will definitely cause unprecedented death, particularly as a result of our poor medical services and malnutrition.

An immediate solution to the famine problem is not in sight. In government offices, or streets, in homes and in drinking places, hunger is the daily topic for discussions. Some put the blame to the failure of rains in March and April. But others blame the Government for not repelling insurgents far from Equatoria borders. Whoever is to blame and why, Juba citizens are bound to die if no solution is found. Although the government has instituted a relief aid body yet it appears that Juba town is not on the list. It however, does provide food aid to destabilised areas of Terekeka, Ikotos and Kapoeta. The voluntary agencies and the office of the United Nations High Commissioner for Refugees (UNHCR) in Juba, only take care of the refugees. No food is even given to their own employees (as if these employees eat the money). With the UNHCR it is clearly understood that the food belongs to WFP which is specially for refugees. But one thing must be understood here. That is, if the refugees eat while the nationals go hungry, will they not clash physically? That is anybody's guess. The concern here is the starving Juba citizens. Can the government fly dura in from Khartoum? If yes, will the prices not be too high?

While solutions are being sought more people from the rural areas are fleeing to Juba. So the population swells while hunger digs in deeper and deeper. Who is to blame--Kokora or Unity?

/9274

CSO; 4500/167

BRIEFS

YUGOSLAVIA BUYS COTTON--Khartoum, 23 Jun (SUNA)--Yugoslavia will purchase 75,000 bales of cotton valued at \$30 million, announced Abdel Rahman Abdel Majeed Deputy Manager of Sudan Cotton Company. An agreement to this effect has been reached between a Yugoslav trade delegation and the company. The Yugoslav delegation left here yesterday after staying a week in Sudan. [Text] [Khartoum SUNA DAILY BULLETIN in English 23 Jun 86 p 7] /9274

EQUATORIAL REFUGEES--Juba, 27 Jun (SUNA)--Some 2,800 refugees have been shifted to a new settlement near Yei City, Western Equatoria Province due to sabotage and looting activities carried out by the outlaws of the western area of the East Equatoria province. On the other hand, on authoritative source at the refugees commissioner told SUNA that a great number of Ugandan refugees expressed willingness for voluntary repatriation and that two thousand of them were being registered prior to transporting them home. He added that 47,.34 [as published] have been transported to their areas across the border while necessary measures are taken to resettle those refugees who do not wish to return home at an area near Yei River. [Text] [Khartoum SUNA DAILY BULLETIN in English 27 Jun 86 p 2] /9274

CSO: 4500/167

TUNISIA

BRIEFS

ARAB-CHINESE PETROCHEMICAL COMPLEX--A general contractor for the Arab/Chinese petrochemicals complex to be built in China is to be chosen following one week of talks in Tunis (MEED 14:6:86). The Sino-Arab Chemical Fertilisers Company--grouping Tunisia, Kuwait and China--is likely to select China National Chemical Construction Corporation to build the \$50 million complex, diplomats in Tunis say. Tunisia is to supply phosphoric acid and technology; Kuwait will provide the capital. China is supplying labour and gas feedstock from a field in the South China Sea. The complex--at Kin Huang Dao, in Hebei Province--will use Tunisian phosphoric acid to produce nitrogen phosphate potash (NPK) and diammonium phosphate (DAP). [Text] [London MEED in English 21 Jun 86 p 26] /9274

FOREIGN EXCHANGE REGULATIONS OVERHAUL--Banque Centrale de Tunisie has moved to speed up procedures for the repatriation of export earnings and remittances. Auditing of foreign exchange transactions has also been simplified. Exports on credit payable within 180 days will be exempt from prior authorisation if covered by guarantees from a non-resident bank, an irrevocable letter of credit or an export insurance policy issued by Compagnie Tunisienne d'Assurance & Credit d-Exportation (Contunace). The changes are seen as the first step in an expected overhaul of foreign exchange regulations by the new central bank governor, Mohamed Skhiri. [Text] [London MEED in English 21 Jun 86 p 26] /9274

CSO: 4500/165

ISRAEL

COOPERATION WITH UK TO INCREASE

TA081919 Jerusalem Domestic Service in Hebrew 1605 GMT 8 Jul 86

[Text] Israel and Britain are to increase cooperation in the fields of technology, research, and development. The countries will also increase cooperation in agriculture and tourism. This was agreed on today at the end of discussions by the joint Israeli-British committee in Jerusalem. Our correspondent Menahem Friedman has returned from the committee discussions:

[Friedman] The commercial links between Israel and Britain, like the comprehensive relations between the two countries, took on new dimensions after the successful visit to Israel by British Prime Minister Margaret Thatcher. There was also a good atmosphere during the working visits of the joint committee. Israel and Britain are important to each other regarding the scale of commerce between them both at present and in the promising future. This was said by the under secretary of the Middle East, Africa, and Latin American Division of the British Department of Trade and Industry, Alan Titchener.

[Begin Titchener recording in English] Israel for Britain is an important market. Our exports are some 400 billion pounds, about the same value as Israel's exports to Britain. We, both countries, therefore, have a strong interest in maintaining the close trade relationships. [end recording]

[Friedman] Head of the Israeli delegation to the talks Max Livnat, assistant director general of the Ministry of Industry and Trade, and director of the Ministry's Foreign Trade Administration, said Britain is our second-largest market in the world and the first in Europe. It is an important supplier of raw materials but also an important target for exports.

[Begin Livnat recording] It ranks first in the world for our exports of textiles and clothing. It ranks first in the world for exports of Israel's food produce and occupies a very important place for fresh agricultural produce. I am happy to say that over the past few years there has also been progress in increasing exports of technological products to Britain. [end recording]

[Friedman] Max Livnat added that over the next 6 months Britain will occupy the presidency of the EEC. As such he hopes it will help further Israel's agreements with the EEC, especially concerning the difficulties stemming from the incorporation of Spain and Portugal.

ISRAEL

SUPERVISION OF SECRET SERVICES DISCUSSED

Tel Aviv DAVAR (THIS WEEK supplement) in Hebrew 6 Jun 86 p 5

[Article by diplomatic correspondent Yusi Melman]

[Text] Until about a year ago the Knesset's Finance Committee granted automatic approval to every budget request of the intelligence community. The committee members had no idea about what the funds were earmarked for. But a few MK's got fed up with this arrangement, which was as old as the state itself. Leading the "rebels" were MK's Hain Ramon (Labor) and Dan Tichon (Likud).

"I won't agree to approve funds without knowing what they're for," Ramon said. Tichon went even further, insisting on itemized explanations. They both proposed that the Finance Committee establish a narrow subcommittee whose members--the committee chairman and the coordinators of the two large parties on the committee--would get briefings and explanations from the intelligence community's organizations.

The chief of the GSS, the Mossad, and of military intelligence all objected to this idea. Like their colleagues the world over, they don't like their actions to be supervised. For reasons of state security, secrecy and all the other well-known reasons, they finally agreed--and as far as they were concerned this was a major concession--that the Finance Committee chairman would be given an explanation every time they needed the committee's approval.

MK Ramon objected to this compromise, and for a long time refused to approve transfers of funds to the GSS and the Mossad despite repeated phone calls from Prime Minister Peres. Ramon told the PM: "If you want parliament to approve the transfer of funds to them, change the law. I won't agree to be a rubber-stamp."

And in March 1986 the law was changed. In the current fiscal year, 1986-87, responsibility for the approval of the budget of Israel's secret services has been transferred from the Finance Committee to the subcommittee on the services. This is a subcommittee of the Knesset's Defense and Foreign Affairs committee. It has six members: three from the Likud--Eliahu Ben-Elissar (a former long-time Mossad man), Ehud Olmert, and David Magen--and three from

Labor: Abba Eban, Micha Harish, and Simcha Dinitz. This subcommittee ostensibly knows and should know more than any other Knesset body about the work of Israel's secret services. The chiefs of military intelligence, the GSS and the Mossad, and their aids, frequently appear before the subcommittee, although sometimes they report to the committee plenum. But is the parliamentary supervision effective?

"The level of parliamentary supervision is limited from the outset," admits MK Ehud Olmert (Likud). "By their nature the services cannot reveal in advance their operational plans. Only the prime minister approves and knows about most of them, and that's as it should be. I reject the American system in which a special congressional committee receives advance reports. In Israel this is impossible and dangerous. So our supervision is restricted a priori to the level of reports on the goals and frameworks of operation of the services, and to post factum information. At this level the committee ostensibly has the qualifications to supervise. But in practice its supervision is a function of the curiosity and dynamics of its members, and especially of the chairman. In the current Knesset these elements are faulty to the point of arousing concern. ...I don't feel that we are fulfilling our duty properly, but I have no answer to the question of how it is possible to augment the supervision and make it more effective."

This is as far as MK Olmert is ready to go in his criticism. Privately, committee members complain that they're being "fed a mess of pottage." A few "crumbs of information" are thrown their way, they have the privilege of basking in the shadow of the secret service chiefs and feeling more "important" than the other members of the house. But the legislative branch has virtually no supervisory powers over Israel's intelligence operations.

True, the state comptroller also has an opportunity to peek through a very narrow crack, into the workings of the community. He attacks a secret annex to his annual report concerning the defects he finds there. Most of these are in the domain of technical-administrative hitches, such as transfers of funds, use of service vehicles, and the like.

But this is limited control. In practice the prime minister, who is responsible for the secret services, also supervises them. Ostensibly it is the prime minister's military secretary and his adviser on terrorism who liaise between him and the services. In practice, the chiefs of the GSS and the Mossad have direct access to the prime minister, in whom they always find an attentive ear. Often they treat the military secretary and the adviser as a "superfluous filter."

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CSO: 4400/225

ISRAEL

NATION'S 'SWORDS FOR HIRE' IMAGE DECRIED

TA060525 Jerusalem THE JERUSALEM POST in English 6 Jul 86 p 8

[Editorial: "Israeli Swords for Hire"]

[Text] The inventive and improvising, not-so-beautiful Israeli has discovered a new and lucrative field of making a fast buck: the selling of Israeli know-how in fighting terror. Coming now on top of a variegated and often dubious international network of Israeli arms sales agents, the new attraction of offering Israeli commando and security service experts for hire and training is apparently aimed at boosting sophisticated Israeli weapons sales to all and sundry.

Apart from further tarnishing Israel's image as the source of international hit teams, this new venture also involves the danger of exposing most sensitive intelligence secrets to countries and organizations beyond Israel's control. For the instruction in the use of special Israeli weapons and fighting devices and their subsequent sales to various foreign outfits must divulge certain modes of operations which are best kept secret.

Israel television ought to be commended for having provided a comprehensive expose Friday night of this new international campaign of selling Israeli mercenaries under the guise of security guards and instructors. It is particularly disturbing that at the head of these various Israel-based international sales networks are some of Israel's most able generals and senior army officers who find nothing wrong in engaging in this profession.

One of the chief supporters of this swords-for-hire scheme is Aluf [a major general] (Res.) Avigdor Ben-Gal, a former aspirant for the chief of general staff post who quit the army when he was not chosen as the top IDF commander. Like many other senior army officers, he did not waste much time out of uniform before he established his own weapon sales firm. Since then, traces of his new business enterprise can be found all over the world, from Latin America to Namibia.

His advice is that one should not be too pedantic and choosy when it comes to selling Israeli weapons abroad, and if including commando fighting and

training in the package helps sales prospects, so be it. Some of the sales promotion films that were shown, depicting Israeli supermen as commando fighters and instructors, acting as terrorist kidnappers, were in the worst Hollywood-style hit team film tradition. But anything seems to go to boost sales.

Meanwhile, some of these firms advertise in the Hebrew press for Israeli men with a good fighting record and appropriate army experience for "interesting and challenging jobs abroad" with a starting salary of \$2,000 per month. A tempting proposition for young men who find it difficult to land a good job here.

The only person who spoke up strongly against this highly questionable venture was former deputy defence minister Mordekhay Tzipori. He pointed out, rightly so, that what these men are selling is in fact the accumulated experience and know-how acquired during their years of military service. It is a national asset that is the fruit of long periods of special army training which should not be bandied about in the world market of mercenaries, not to speak of the security hazards involved in this quite indiscriminate business.

At a time when every few weeks one hears of new allegations involving former Israeli officers in arms sales to Iran, no matter whether they operate in the U.S. or in Germany, it is high time that the defence establishment take a close look into these often shady enterprises.

After all, every able-bodied Israeli man is a soldier in the reserves until the age of 55 and requires a special permit from his army unit before he is allowed to go abroad. In his application he must state the purpose and length of time of his trip, after which he has to report back to his unit.

Since the men who would qualify as mercenaries abroad are by definition well-trained and much-needed reserve soldiers and officers in their respective units, it should not be too difficult to control their movements as far as the use of their military expertise is concerned. The same goes with much more emphasis for senior army reserve officers who engage in this enterprise. They must be told by the highest authority to restrain their rich business imagination before Israel's name will be dragged into some more embarrassing international scandals.

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CSO: 4400/225

ISRAEL

POPULATION EXPLOSION REPORTED IN GAZA STRIP

Tel Aviv MA'ARIV in Hebrew 19 Jun 86 p 13

[Article by Shefi Gabbai]

[Text] The Gaza Strip, extending over 362 square kilometers, is considered to be one of the most densely populated areas in the world with a population now around 550,000. The yearly natural rate of increase is 4.6 percent as against 1.7 percent in Israel. Gaza's population doubles in size every 15 years and by the year 2000 1,100,000 people will be living in the Gaza Strip.

Until June 1967, the average annual infant mortality rate was 150 per 1,000 births. Today the figure is only 32 per 1,000. This mortality rate would be further reduced if all births took place in hospitals. All residents of the Strip exploit Israeli health insurance to the full. Last year residents of the Strip registered 13,500 days of occupancy in Israeli hospitals.

The natural increase is particularly marked in the eight refugee camps in the Strip. The population balance is changing in favor of the refugees. Today half the inhabitants there are defined as refugees. They are even taking control of the senior administrative jobs. Unlike in Judea-Samaria, the residents themselves, about 5,000 officials, operate the civilian administration in the Strip, assisted by 120 Israeli officials.

There is no unemployment in the Strip, and no problems of a lack of school-rooms. Higher education is also possible for all. But in spite of all this prosperity, most of the inhabitants are ready to return to the rule of any Arab government as the way to establish a Palestinian state in the future. Former Gaza Mayor Rashad al-Shawwa last month proposed an "interim solution" to Egyptian President Husni Mubarak. He suggested the enlistment of Egypt in exerting pressure on the U.S. and Israel to restore Egyptian rule in the Strip. While Al-Shawwa denies the report, which appeared in Egyptian newspapers, Mubarak himself revealed that this plan was proposed to him in the name of the Gaza leadership. The Egyptian president, by the way, rejected the idea, claiming that the solution must be comprehensive and just for all the territories. But the truth is that Egypt isn't interested in the "pain in the neck" known as the Gaza Strip.

The political trend of the Strip's inhabitants, as its leaders told us, is PLO-oriented. Yasir 'Arafat grew up in Gaza and it was there as well that his chief of staff Halil al-Wazir, AKA Abu Jihad, was born. The fanatical Muslim groups, eight in number, who impose terror in the streets of Gaza, also gravitate toward the PLO when all is said and done. 'Arafat is known to be a member of the Islamic religious union the "Muslim Brothers."

The PLO's opponents in Gaza are for the most part leftists belonging to pro-Syrian Palestinian groups, including the communists. They are organized in small cells and their ideology is fanatical and rigid. Some of them at times use weapons. Some of the assassinations of so-called "collaborators" with the administration were carried out by them.

The outstanding success of the Israeli administration has been the rehabilitation of the refugees, moving them from shanty towns to dwellings constructed by the "do it yourself" method. At first, the refugees feared 'Arafat would seek revenge, but as time passed, many of them took courage and went along with the Israeli plan, especially when the price of a dunam of land in overcrowded Gaza could be tens of thousands of dollars, while Israel was offering the refugees state lands.

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CSO: 4400/225

ISRAEL

BRIEFS

BAN ON ROMANIAN-MADE CARS--[Report by Yif'at Nevo] The Transportation Ministry decided yesterday to ban the import of Romanian-made Delta cars. The decision was made in the wake of defects that were detected in an examination of these cars conducted at the Technion. The Technion had been asked to conduct the test, in addition to tests run by the Transportation Ministry's engineers, so that the testing would bear the stamp of a neutral professional body. [Excerpt] [Tel Aviv HA'ARETZ in Hebrew 8 Jul 86 p 5 TA] /6662

EMIGRATION OF WESTERN IMMIGRANTS--The head of the Jewish Agency's Youth Aliyah Department, Uri Gordon, has said that half of the immigrants from Western countries leave the country within the first 3 years of their arrival. He noted that emigration does not result from disappointment with the way of life in Israel of the "Zionist dream crisis," the reasons that were customarily cited to explain this phenomenon. The emigration stems from the very prosaic reasons of bureaucracy and the people's difficulties in finding employment and housing. [Summary] [Tel Aviv HATZOFE in Hebrew 8 Jul 86 p 4 TA] /6662

CSO: 4400/225

1 August 1986

MINISTRY OF ENERGY RELEASES ANNUAL REPORT

Amman THE JERUSALEM STAR in English 15 May 86 p 11

[Text]

AMMAN (Star) — The Ministry of Energy has released its annual report for 1985.

due to the government's tendency to replace a part of the crude oil by importing heavy fuels.

The report reads that the total oil import bill for 1985 is \$603 million, compared to \$612 million in 1984. A third of the imported oil came from Iraq.

The cost of imported energy, as mentioned before, has dropped by 1.5 per cent though energy imports rose by 4.5 per cent. This is ascribed to a one dollar drop for each barrel of imported oil in addition to the import of heavy fuels which are cheaper than crude oil.

Despite an increase of 4.5 per cent in the quantity of imported energy, the cost of these imports dropped by 1.5 per cent as a result of the plunging crude oil prices. The report also shows that the average rate of oil consumption by each citizen in the Kingdom dropped from 1064 kilogrammes in 1984 to 1049 in 1985. The electricity consumption average came to about 928 kilowatt-hours per person in 1985 while it was 873 kilowatt-hours in 1984.

As regards the Ministry's energy saving measures, the report points out that efforts were being made to achieve the aims of this policy. A special study on this issue has shown that an annual saving of \$2-3 million is possible if the recommendations are correctly adopted. The Ministry of Energy, in co-operation with the French Energy Conservation Agency started the implementation of a programme aimed at saving energy, especially in the transport sector.

The transport sector consumed 41 per cent of the total imported energy, while the electricity sector consumed about 25 per cent. The industrial sector consumed 16 per cent, housing sector 12 per cent and other sectors six per cent.

The report adds that the Ministry of Energy is also co-operating with the Royal Scientific Society and the Ministry of Industry and Trade concerning energy conservation programmes. Several studies have been carried out on solar energy and the ways of encouraging and improving this type of energy.

The release also points out that the amount of crude oil imported in 1985 was 2,484,000 tonnes, compared to 2,616,000 tonnes in 1984. This shows a five per cent drop in the amount of oil imports,

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CSO: 4400/223

JORDAN

NATIONAL HOUSING STRATEGY DEVELOPED

Amman THE JERUSALEM STAR in English 19 Jun 86 p 4

[Article by Pam Dougherty]

[Text]

HOW CAN Jordan deal with the housing needs of its people? With some 38.5 per cent of the population living at a density of four or more per room and a birth rate of 3.8 per cent per year, the question is one of urgency.

A number of other factors contribute to the demand for housing. Jordan not only has a high birth rate, but changing social patterns mean that the traditional extended family, living as one household, is rapidly being replaced by 'nuclear' families each wanting their separate households.

At the same time, since the oil boom of the 70's expatriate Jordanians have been able to use their high salaries to purchase land back in the country and build substantial homes. But they are a relatively small proportion of the population and they have helped to push up land and construction costs for the majority.

An important aspect of Jordan's young population is a high dependency rate with each working member of the society usually supporting a large number of children. This puts a heavy strain on their resources and particularly for the 55 per cent of workers who earn less than JD 100 per month, it is estimated that some 20 per cent of the population cannot afford even public housing.

The Ministry of Planning is now working on the development of a national housing strategy which is intended to maximize the effec-

tiveness of investment in the housing sector during the Five Year Plan and on to the end of the century.

A report entitled 'National Housing Projects in Jordan during 1976-85, which was presented by Jordan's delegation to the Human Settlements Commission in Istanbul in May, shows that total investment in the housing sector in 1976-80 was JD 305.4 million and in 1981-85 rose to JD 782 million. These totals actually exceeded the estimates of the planners by 267 per cent and 169.6 per cent respectively. It is also notable that private sector investment in housing reached 89.2 per cent of total against an estimated 63.8 per cent in 1976-80 and 88.1 per cent against an estimate of 57.3 per cent in the 1981-85 plan.

Despite this higher level of investment however, the housing sector was not able to keep up with the demand for new units throughout the period 1976-1985. According to the National Housing report some 160,000 new units were needed annually in the period 1981-85 to cope with population increase, housing in new industrial areas, Bedouin settlement and the replacement of obsolete housing. In fact only around eight thousand units per year were built.

Major housing construction in the period 1976-85 was as follows:-

Housing Corporation — 10,604 units at a total cost of JD 115.30.

mainly for low and middle income public sector employees
Urban Development Dept. — 3000 new units and upgrading of three existing areas at a total cost of JD 19 million of which JD 15.95 was spent during 1982-85 with the remainder of the project is due for completion in 1986.

The Jordan Valley Authority — 1981 units at a cost of JD 5.91 million for valley residents and JVA staff.

Housing Co-operatives 2708 units of which 2050 have been completed and 658 are under construction, at a cost of JD 45 million.

Real Estate and Financial Corporation — 2223 dwellings at a cost of JD 28.56 million.

Private individuals invested JD 167 million during the 1976-80 plan and JD 420 million during the 1981-85 plan.

The Military Housing Corporation also constructed a number of units.

The Ministry of Planning team working on the national strategy for housing ascribes the shortfall in new building to a number of factors. These include (1) the high cost of land and construction, (2) Organizational measures such as building regulations which do not permit the development of small plots for low income housing, (3) Complicated building and permit measures, (4) High registration fees, (5) Lack of technical and financial resources at the Housing Corporation and a lack of national building standards.

All of these hampered public sector building and gave the private sector little incentive to invest in low income housing leading to an imbalance in the market. A recent study by the Housing Corporation suggests that there are some five thousand upper income

houses and apartments in the Amman area now standing empty.

The major institution in the housing sector have now given their target figures for the 1986-90 Five Year Plan, during which it is estimated that 23,500 units per year will be needed. They are as follows:-

1. the Housing Corporation — 10040 units at a cost of JD 112.8 million
2. The Urban Development Dept. 10,660 new units and 6,860 upgraded units at a cost of JD 101.41 million.
3. JVA 600 units for Bedouin settlement and for JVA employees at a cost of JD 2.023 million.
4. Provision of 277 units at a cost of JD 969 million for Ministry of Education staff in remote areas.
5. Yarmouk University 600 units for staff and students at cost of JD 3.717 million.
6. Military Housing Corporation units for military personnel.

A target of 23,809 units at a cost of JD 238.081 million is set for the private sector, including co-operatives, real estate corporations, teachers funds and private investors.

The government's major objective during the next plan will be to direct investment towards low and limited income housing projects. This will require the creation of more incentives for the private sector, the development of low cost building systems particularly those using local materials, a simplification in bureaucratic measures both to cut costs and to speed building work and possibly a change in land use patterns to allow more subdivision of land. Such measures would have the advantage not only of meeting the need for low cost housing more effectively but would also help to create more jobs in the building associated industries.

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CSO: 4400/223

JORDAN

WATER AUTHORITY PROJECTS OUTLINED

Amman THE JERUSALEM STAR in English 19 Jun 86 p 11

[Article by Pam Dougherty]

[Text]

THE WATER AUTHORITY of Jordan (WAJ) is planning of JD 25 million project to increase its pumping of water from Azraq and Sweileh for the Amman domestic supply.

The plan calls for digging new wells and the erection of a pumping station, pipeline and booster station to double the quantity of water pumped to Amman during the summer months. The project should take two years to complete and WAJ President Muhammed Kilani anticipates the use of local finance to hasten the completion of the work.

Tenders are also due to be issued within the next month for a complete study of Jordan's aquifers to evaluate both the fossil and rechargeable water supply in Jordan.

In the south, a Japanese company has recently begun a study to evaluate the underground and surface water resources in the Wadi Mujib. Mr Kilani says it will take at least a year for the completion of the study and two aspects are under consideration. One is the possible building of dams to conserve floodwaters in the Mujib for the Greater Amman drinking supply. The other is poss-

ible use of the normal flow for agriculture in Ghor Safi or for the oil shale development in the Lejjun area.

The new projects are all part of the WAJ's continuing effort to establish more precise data on Jordan's water resources and the guarantee that the domestic water supply suffers no interruptions. Mr Kilani points out that although the 1985/86 season has been particularly dry, there has been continuous pumping in all areas.

The dry season has, however, led to the need for a rethinking of use of the Deir Alla-Amman pipeline which was designed to bring water from the East Ghor canal to the Amman domestic supply. Water was pumped for approximately the first three months of this year but stopped in March due to a shortage of water for irrigation in the Jordan Valley. The pipeline will now be used for winter supplies to Amman only with Azraq supplying summer needs.

The WAJ has also been digging deep wells and installing stronger pumps to make greater use of underground water for the domestic supply. Mr Kilani says these deep wells are rechargeable though it takes some years for this to happen.

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JORDAN

IMPACT OF RECENT DROUGHT DESCRIBED

Amman THE JERUSALEM STAR in English 3 Jul 86 p 11

[Article by Pam Dougherty]

[Text]

AMMAN — Jordan is beginning to feel the impact of a very dry 1985/86 winter season with estimates of a wheat harvest as low as 6,000-8,000 tonnes, restrictions on water use in the Jordan Valley and the announcement of a JD 25 million scheme to bring more water from Azraq for Amman's domestic supply.

According to Jordan Co-operative Organization (JCO) Dir - Gen Hasan Nabulsi this season compares with the drought years of 1979 and 1984.

According to the Bureau of Meteorology, Jordan's total winter rainfall was well below average. The central regions including Amman, Zarqa and Kerak received only 60 per cent of the average, the northern and eastern regions and the Jordan Valley received no more than 80 per cent while only in the southern and south easterly regions did the rainfall exceed the average.

The timing of the rainfall was also bad with two noticeably dry spells — from early November until mid-December and from mid-February until the end of March — just when rain is most needed for cereal crops.

Mr Nabulsi says the drought has affected all rainfed production — cereals, legumes and rangeland which affects primarily sheep and goats.

While it is not possible to count the cost of the drought precisely, the poor season will definitely

mean a higher import bill to meet Jordan's annual requirement of 400,000 tonnes of wheat of human consumption and around 120,000 tonnes of barley for Jordan's estimated 1.3 million sheep and half a million goats.

The Ministry of Supply sell the barley at JD 55 per tonne to livestock rearers through 25 centres located throughout Jordan. The private sector is now also allowed to import barley which is sold at prices which vary according to the quality of the barley.

The cost of the drought to individual farmers and livestock rearers is also considerable. In 1984 the World Food Programme provided food aid for those hardest hit and Mr Nabulsi says assistance is likely to be needed again this year. He estimates some 50,000 livestock rearers will be affected, roughly 22,000 with 50 or more animals and the balance with less than 50.

Jordan's rainfed areas are inevitably subject to the risks of dry seasons but could more be done to cushion them from the affects of drought?

Mr Nabulsi believes there is actually a great deal that can be done. He says it is important first that measures be taken to assess the best use for land to achieve a balance between wheat, forage and livestock production.

He says the use of improved seed and good management can have a major impact and this has

been shown this year in the good results expected from experimental areas near Madaba and Kerak. Exact figures are not yet available but Mr Nabulsi predicts that these areas will show a 100 per cent improvement in yields despite the poor rainfall. Similar areas in Irbid also had improved production but then crops were badly damaged by rust following the unseasonably heavy rain late in the winter.

For Jordan's rangelands Mr Nabulsi says it is vital that land use be properly organized to prevent overgrazing with its consequent problems of soil erosion and loss of productivity. He says livestock owners are beginning to realize that their land should be grazed in some kind of rotation but much more extension work is needed before they adopt proper systems.

Other measures such as the building of small dams to conserve all available water, the planting of fodder shrubs such as atriplex, and the production of suitable forage crops can all help to preserve the soil, boost animal production and improve the economic position of the livestock rearer.

Rangeland projects carried out in the Ma'an, Kerak and Madaba regions have shown what can be done but these have really only been on a pilot scale. They now need to be expanded far more of the rangeland area which actually covers close to 80 per cent of the total land area of Jordan.

In the Jordan Valley farms were able to obtain their water needs throughout the months of March,

April and May but in June the Jordan Valley Authority had to ask farmers not to plant anymore crops until November. Trees and vegetables now under cultivation will be watered from the King Talal Dam but its reserves are expected to be finished by September.

The JVA was also forced to stop pumping water via the pipeline from Deir Alla to Amman in March and the Water Authority of Jordan (WAJ) and the JVA have now agreed that the pipeline will be used to supply the Amman domestic supply only in the winter months.

During the summer months the WAJ will double the quantity of water pumped from Azraq and plans are now being drawn up for an approximately JD 25 million programme to install new pumps and pipelines for this purpose.

Despite the serious shortage of water it has been noticeable that the Jordan's domestic supply has suffered no interruption this summer. As the population grows and the water network expands, however, the WAJ will face a greater challenge in maintaining the supply.

The authority is already digging deeper wells and installing higher capacity pumps to compensate for this year's shortage. It will also issue tenders within the coming month of a national aquifer study to evaluate more fully Jordan's fossil and rechargeable water supply to allow for better planning of water use in the coming years.

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KUWAIT

BUDGETARY CUTS RESULT FROM DROP IN INCOME

Kuwait AL-TALI'AH in Arabic 24 May 86 pp 10-11

[Article by 'Abdallah Muhammad al-Nibari: "What Are the Possibilities for Cutting Spending To Counter the Drop in Income?"]

[Text] With the announcement of the proposed public budget of the state for the coming year, attention will turn to examining the effect of the drop in oil prices on the public budget. Oil prices have dropped to a current average ranging between \$10 and \$12 a barrel; this is more than 50 percent from their level at the end of last year. This means a similar rate of decrease in the income of the oil states, including Kuwait. A decrease of such magnitude will certainly have deep and broad economic and social effects on the life of these states.

How, then, will these states face the effects of this problem on their economies?

The public budgets of the oil states rely to a great extent, up to 90 percent, on oil revenues. The first thing these states face is the problem of transforming their current and investment spending programs.

Kuwait is a relatively fortunate country because it can put off facing the problem by recourse to drawing from its savings which have accumulated in years of surplus in financial reserves invested abroad. Many of the oil states are not so fortunate; they do not have financial reserves enabling them to put off facing the crisis.

In the long run, however, even the wealthy states with large reserves face the same destiny, and perhaps in a more severe and sharper form, because they rely upon oil to a much greater degree than the less wealthy or poorer states which have a large population concentration and a small petroleum deposit. Because of the presence of economic resources other than oil, these latter states rely to a lesser degree on oil.

The Public Budget

Attention is therefore focused on the budgets of these states to examine the outlines of the change in financial policy and the methods and means that reflect ways of adjusting to the new circumstances.

Among the most important characteristics of public budgets in these states, Kuwait being an outstanding example of them, are two things. First, they are exclusively expenditure budgets. In this, they differ from budgets in many countries of the world. The latter budgets are normally budgets of expenditure and of revenue from domestic sources by means of such financial machinery as taxes and duties, besides the credit machinery. In countries that finance their budgets domestically, the budget performs a two-fold and bi-directional role, absorbing purchasing power and pumping it out again; in the oil countries, we find that the budget is exclusively a machine or channel for pumping out [purchasing] power.

The second distinguishing characteristic of public budgets in the oil states is that they depend on external sources. Because they are a machine or channel for pumping out domestic purchasing power, and because other economic resources are rare and the production base is weak, the role of these budgets in the domestic economic cycle is very great. One may even say that public spending dependent on oil exports for its financing is virtually the basic backbone of the economic cycle. Therefore, changes in the budget, whether in the form of expansion with an increase in spending or contraction with a cut in spending, have great effects on the cycle of domestic economic activity.

How, then, was the drop in oil prices reflected in the budget of Kuwait for 1986-87? What do these reflections indicate for the future? What is the extent of the state's ability to adapt to the new conditions, as evidenced in the financial policy approaches embodied in the budget? This is what researchers and people interested in economic policy will turn toward to investigate.

I do not claim that this article will offer complete and satisfying answers to these questions, for it is a subject for deep and broad studies. But I will try to bring out the changes in the budget and will attempt to learn from these the directions of financial policy and the state's ability to adapt or the conditions that must be fulfilled to realize this adaptation to new circumstances.

Income

Budget figures indicate that income in the budget for fiscal 1986-87 will drop to 1.923 billion dinars, for a decrease amounting to 1.193 billion dinars or 38 percent from last year's estimates. This drop is the result of a drop of 1.145 billion dinars in oil revenues and a drop of 46 million dinars or 15 percent in non-oil revenues. The decrease is thus not limited to oil revenues, but includes other revenues. Consequently the state's announced slogan of finding alternate or supplementary sources to fund public spending has not been realized. What is more, the level of yield from existing sources has not been maintained.

Oil revenue estimates were made on the basis that production would average 1.2 million barrels a day and that prices would rise to an average of \$15 a barrel. This rate of production is about 25 percent above Kuwait's OPEC production quota, and the price level is about 25 percent above the rate

current now at the time the budget is being discussed. A level of \$15 a barrel is one possibility; another possibility is a drop in the price to \$10 a barrel, or less.

In the light of current conditions, the income estimated in the budget may be the maximum that can be aspired to. The possibility closer to reality is that income will fall about 25 percent short of this level.

Spending

So much for the income side. What about the expenditure side? Faced with changes in the world oil market that no one can forecast with a reasonable degree of precision and certainty over the next 10 years, the state has no choice but to follow a policy of cutting spending in order to reduce its financial commitments. The great and weighty question that Kuwait, like the other Gulf states, faces is: To what extent can we reduce expenses? How and where will the reduction take place? What is the state's ability to carry this out? What are the conditions for its realization? These, I believe, are the questions for which officials and interested people must find answers over the course of the next 3 years.

We will now look at the nature and size of the cuts that have been made in the budget for the coming fiscal year.

This is the second budget to witness a cut in expenditures. Expenditures for the coming fiscal year have been estimated at 3.038 billion dinars, a decrease of 394 million dinars, approximately 10 percent, from estimates for the current year 1985-86.

Looking in detail at the expenditure items that have been reduced, we find that possibilities for future reduction are decreasing, so that it will not be possible to make large cuts without making radical adjustments in the structures of government administration and public establishments. The matter may require major adjustments in population structure, and it will require a very radical policy of administrative reform and an extremely resolute population policy.

Let us now review where the cuts have taken place in the budget. The principal cuts have occurred as follows:

The first cut is in the second section of the budget: Requirements for goods and services have decreased 163 million dinars, from 425 million to 262 million dinars. If we look at the reasons for the decrease, we find that a large part of them are extrinsic and probably will not recur. The largest part of this decrease can be traced to the drop in oil prices, since it was customary to bill the Ministry of Electricity and Water at world prices for the oil used in generating electricity. The cost of fuel used in the electrical plants has now decreased 142 million dinars, and this decrease in cost resulting from the decrease in oil prices appears as a decrease or cut in the budget. Such a decrease will not recur if prices remain close to the level estimated in the budget, which is what forecasts indicate for the length of the crisis period, i.e., the crisis of the fall in oil prices.

As for the remaining items, they have remained close to their previous level. The probability is that expenditures for them will rise as a matter of course in coming budgets as a result of the rise of world prices, on the one hand, and the rise in the demands of the ministries themselves.

The second major cut took place in the fourth section of the budget, the section on buildings, which decreased 119 million dinars, from 844 million in 1985-86 to 725 million in 1986-87. The reason for the decrease in this section can be traced to the fact that new projects have not been included: Spending in this category has been kept to projects in process of implementation and for which a commitment has been made, such as electrical plants. New projects have been kept to such necessities as schools, mosques, and maintenance requirements. Allocations for projects to which commitments have already been made form about 85 percent of this section of the budget.

This means that room for making cuts here will become very narrow in the future, because there exist about 2 billion dinars' worth of already authorized projects for which commitments have been made. In the coming budget, 522 million dinars have been earmarked for them.

The third major cut took place in the fifth section of the budget, the section on miscellaneous expenditures and transfer payments. This section has decreased by 132 million dinars, from 1.409 billion to 1.277 billion dinars.

However, when we review the reasons for the decrease, we find that they lie in two main items: foreign aid, which has been cut by 75 million dinars, and the subsidy that is paid to support fuel prices (gasoline) in the local market. This has decreased 48 million dinars because of the drop in oil prices.

Again, we shall not be able to find items similar to these two in the future, so that they might be affected by a decrease.

As for the other sections of the budget, they have either increased or decreased by modest amounts. The first section, dealing with wages and salaries, has increased by 27 million dinars, from 723 million to 750 million dinars. Possibilities for a decrease in this section in the future are slight. For the past 2 years, new hiring has been halted and vacant positions have not been filled, which has led to a curbing of the increase in allocations for this section of the budget. However, required allocations for this section of the budget will probably rise in the future for the hiring of Kuwaitis. Necessary additional expenses are estimated at about 70 million dinars annually.

The other section of the budget in which small changes in the way of a decrease have taken place is the third section, which deals with the purchase of capital equipment and means of transportation, such as computers and automobiles.

This section of the budget has been kept at minimum levels and has been cut by 7 million dinars, from 30 million to 23 million, at a time when requests of the ministries have reached 72 million dinars. This means that many requests

of the ministries have been cancelled or postponed. The possibility of rescheduling them in the future is frequently mentioned.

So far, therefore, the cuts that have been made in the budget has consumed much of the excess fat, which means that future cuts will face greater difficulties and require more belt tightening. This also means that the public budget will continue for a long time to suffer from a deficit which will have to be countered by recourse to drawing from the state's general reserve. The question is: How long can we rely on transferring funds to the deficit from the reserve?

12937/12913

CSO: 4404/384

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

USSR, PDRY LABOR DELEGATIONS DISCUSS BILATERAL RELATIONS

Aden SAWT AL-'UMMAL in Arabic 17 Apr 86 p 1

[Article: "Conclusion of Talks Between Delegation of Preparatory Committee of General Federation of Unions and Delegation of Central Council of USSR Unions"]

[Text] Talks were concluded yesterday between a delegation of the Preparatory Committee of the General Federation of PDRY Labor Unions, headed by Comrade Rajih Salih Naji, member of the Central Committee, and chairman of the Higher Preparatory Committee of the Fifth Congress of Labor Unions, and a delegation of the Central Council of USSR Labor Unions, headed by Comrade Silayev, the Central Council chairman. The talks were attended on the Soviet side by Comrade (Sobotin), the Central Council secretary for foreign affairs, and Comrade (Mogayev), the director of international relations, and on the PDRY labor union side by Comrades Faysal Muhammad 'Abdallah, member of the Preparatory Committee, and Salim 'Awad 'Umar, member of the Preparatory Committee. The talks were also attended by Comrade 'Ali Munassar, our embassy's charge d'affaires in the Soviet Union.

The talks evaluated the outcome of our delegation's visit to the Soviet Union and dealt with the means to strengthen and develop bilateral relations and with the effective contribution made by our delegation, which attended the 35th session of the bureau of the World Federation of Labor Unions. Our delegation contributed effectively to the session's discussions, documents, and resolutions and to the good level of coordination between our federation and the Central Council of the Soviet Labor Unions.

The Soviet labor delegation expressed its satisfaction with the efforts exerted by our delegation during the session to explain and clarify the events witnessed by our country and embodied in the coup plot of 13 January 1986.

The Soviet labor delegation also expressed its full readiness to assist our federation in the various spheres to enable it to overcome the consequences of the coup attempt. The two sides also discussed the Arab and international union and political conditions.

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CSO: 4404/345

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

LABOR LAW ON EMPLOYMENT OF WOMEN DISCUSSED

Aden SAWT AL-'UMMAL in Arabic 15 Jun 86 p 5

[Article by Dr Muhammad Matir Salah: "Legal Importance of Employment and Labor Market Organization Offices"]

[Text] The first part of this article, "Legal Importance of Employment and Labor Market Organization Offices," dealt with the tasks of the employment offices and with the restrictions established by the basic law regulating work. We publish here the second and final part of this article:

1. Employment of Women

The state guarantees Yemeni women the right to work and the right to equal employment opportunities without discrimination because of sex, color, race, or belief. The law requires the Ministry of Labor and Civil Service to achieve full equality in nomination and employment opportunities for both male and female workers in accordance with the best conditions available--Article 17 of the labor law. This is why the state has opened the door wide for Yemeni women to work in the various fields and at all levels. Yemeni women have entered all fields of industrial work and the field of public services and commercial businesses. All the barriers setting specific jobs for the Yemeni women that are different from those for men have collapsed.

The increased participation of women in work has required protecting the women's rights to engage in their economic activities on an equal footing and without discrimination based on sex--Article 5 of the basic labor law.

The legal provisions concerning the employment of women contain enough rules to protect the working Yemeni woman. These organizational rules concerning the employment of Yemeni women are summed up in the following:

Ban on Employment of Women in Certain Jobs

It is a duty to implement all health and safety measures for both male and female workers. However, there are reasons that dictate banning the employment of women in certain jobs that may be carried out by men. This discrimination is based on the fact that a woman's physical strength is lower than that of a man. Therefore, heavy work requiring strenuous physical effort harm a woman's, but not a man's, health. Moreover, scientific and medical

studies and research have confirmed that some of a woman's organs are affected by industrial poisons--a fact that requires that women be kept away from employment in activities that use these poisons that are harmful to them.

Moreover, the protection of motherhood and childhood dictates that special attention be given to women's health. This is stressed in Paragraph 3 of Article 36 of the PDRY constitution, which states: The state shall also insure protection for working women and for children and shall set up nurseries, kindergartens, and other forms of care as dictated by the law.

The labor law also states that it is impermissible to employ women in physically harmful jobs, in jobs entailing hard labor, and in other jobs that shall be defined by a decree issued by the authorities concerned, such as jobs in mines and quarries, jobs in metal-melting furnaces, and jobs requiring the lifting of weights beyond what is outlined. In view of the absence of regulatory bylaws, it is necessary to issue executive bylaws that define the hard-labor jobs that are harmful to the health of Yemeni women, as in the case of the labor law of the People's Republic of Bulgaria whose bylaws define the hard jobs harmful to the health of Bulgarian working women.

This is why the PDRY labor law states the following concerning the employment of Yemeni women:

"It is prohibited to employ women in industries and hard jobs that are harmful physically and socially. The minister shall issue decrees to regulate the means of protecting working women and to provide them with the means of comfort, including the foundation of nurseries in the establishments defined by the minister."

2. Ban on Night Work

For women, night work is more tiring and demanding than day work. Moreover, for women to spend the night outside the home is damaging socially and the danger of night work is more serious to women. The labor legislation bans the employment of women in night jobs so as to protect their health and morals, except for the jobs, conditions, and occasions specified by a decree issued by the minister of labor, such as jobs in hotels, restaurants, theaters, movie houses, hospitals, clinics, transportation, airports, and so forth.

3. Protection of Motherhood

The purpose of the laws regulating the employment of women is to protect motherhood, considering that these laws seek to protect the health of working women so that they may be able to bear children and perform their duty as mothers. Paragraph 2 of Article 36 of the PDRY constitution states: "The state shall also exert efforts to create the conditions that enable women to combine participation in productive and social work with their role within the framework of family life. Special attention shall be devoted to the vocational training of women." By defining the hours during which women may be employed and by protecting women from tiring night jobs and from the physical consequences of carrying heavy weights or using poisonous substances

in industry, the legislator seeks to protect the job of motherhood and to achieve happiness for future generations.

4. Maternity Leave

The labor law entitles women to maternity leave before and after delivery and women may not be made to work during this leave period. The law sets this leave period at 60 days, provided that it does not last less than 50 days after delivery. Twenty more days are added in the following cases:

- a. If the delivery is difficult.
- b. If the mother gives birth to twins.
- c. If the mother reports to work regularly throughout the pregnancy period and until the final months before delivery.

A working woman may also absent herself from work because of illness if it is proven by a medical certificate to be the result of pregnancy or of delivery and if the certificate states that she cannot go back to work. A business owner may not dismiss such a working woman because of this interruption.

5. Nursing Break

the labor law stresses the mother's right to a nursing break of 1 hour a day in order that she may nurse her child during the first 6 months following the delivery.

The nursing break shall be counted as part of the workday and no wages may be deducted for this break so that the mother may not neglect nursing her child out of concern for her wages.

The mother's right to a nursing break shall not deny her the other daily breaks interspersing the workhours. Therefore, she is entitled to have 90 minutes in breaks for nursing and 30 minutes for an ordinary daily rest break.

6. Abidance by Providing Nursery Facilities

The labor law and the constitution require the provision of nurseries in accordance with the conditions stipulated by the law.

Restrictions Imposed To Achieve Equal Opportunities

The basic labor law imposes a number of restrictions on the freedom of employment in order to achieve equal work opportunities. These restrictions include the impermissibility of employing people other than those recommended by the employment offices to hold certain jobs in accordance with Article 14 of the labor law, which states the following:

"Every business owner is prohibited from employing any worker except through the ministry or its branch concerned in his area. Moreover, every natural and legal-status person is prohibited from employing or importing workers for any

business owner." Paragraph B of Article 5 of the labor law states the following: "The prerequisites of a job or of a profession shall not be considered a form of discrimination."

Restrictions Imposed for National Considerations

Some laws prohibit the citizens from working for foreign establishments or organizations before acquiring a permit from the authority concerned.

Our country's labor law also prohibits foreigners from working here before acquiring a permit from the authority concerned. It also imposes certain prerequisites for approving such a permit. Article 20 of the labor law states: "A foreigner may not engage in any profession or vocation before acquiring a permit from the authority concerned with the employment of foreigners. A foreigner licensed to work in the republic may apply to get a job through the ministry or one of its branches."

8494/12913

CSO: 4404/345

YEMEN ARAB REPUBLIC

GOVERNMENT MOTIVES FOR BANNING NDF NEWSPAPER EXAMINED

Kuwait AL-TALI'AH in Arabic 17 May 86 p 32

[Commentary on Banning National Democratic Front Newspaper]

[Text] On 25 April the security forces of the Yemen Arab Republic raided the establishment of AL-AMAL in San'a, searched the office, and set up censoring and monitoring apparatus.

In regard to the incident the news mentioned that in the latter part of March the security apparatus had arrested the editor of the newspaper and that he is still under arrest.

Also a responsible source at the newspaper has affirmed that the recent series of events, which included "suspending" publication, arresting its editor, and raiding its offices, were due to the refusal of the newspaper to submit to the media line that the Ministry of Information has imposed on it for pursuing the events which the People's Democratic Republic of Yemen experienced on 13 January.

It is known that AL-AMAL, which is edited by well-known Yemeni journalist Professor Sa'id al-Janahi, is the newspaper of the National Democratic Front in the Yemen Arab Republic. It was founded in September of 1980 after agreement with Kuwait, signed by Abd-al-Fatah Isma'il and 'Ali 'Abdallah Salih. By virtue of this agreement, there was political harmony between the Front and the authorities, aimed at increasing stability and security, securing a democratic climate in the country, and helping the efforts of the people in the North and South to build a new life and overcome the vestiges of the imamate and colonial eras. One of the foremost of these vestiges is the partitioning that the powers hostile to the Yemeni people are still trying, by all means, to strengthen in terms of geographic, political, social, economic, and cultural borders.

During these years AL-AMAL played a tangible role on the level of democratic dialogue in the North and on the level of presenting the national cause of the Yemeni people, as well as the other fateful issues.

Publication of the newspaper AL-AMAL represented a phenomenon on which circles sympathetic to the Yemeni people attached great hopes that the

national opposition would have a platform from which to voice its various opinions. In fact AL-AMAL, since it came out, was set apart from the domestic and official newspapers in Yemen, with its two halves, and occupied the place of pre-eminence among the political print media. It rallied the interest of the plain politicians and nationalists to seriousness and objectivity, as it pertained to the vital, strategic issues of concern to the revolution and the Yemeni people, in the vanguard of which are its sovereignty, independence, restoration of unity, and progress.

This "young" newspaper, from the time it came out, faced many difficulties including a number of official complications with the Ministry of Information, one of which was that the newspaper submit to censorship both prior to and following publication. This continued, absolutely, despite issuance of the press law of 1982. Therefore a great many of its issues were suspended as a result of arbitrary confiscation carried out by the Ministry of Information.

In addition to these complications the reactionary and opposition forces were basically opposed to the principle of democratic dialogue regarding the publication of this newspaper. Elements of the Muslim Brotherhood were bent on attacking it through the newspapers and magazines that they publish inside and outside the country, and they also made use of the pulpits of the mosques to spread falsehood concerning the National Democratic Front.

In addition to these quarters known to be sympathetic to Arab reactionism and imperialist circles, another group has appeared that is allied with them. It consists of fugitive elements from the southern half of Yemen following the incidents of 13 January which were led by 'Ali Nasir and which, it appears, began activity there that is hostile to the authorities in Democratic Yemen.

It is clear that in the light of these measures, to which the newspaper of the National Democratic Front was exposed, that the authorities in the Yemen Arab Republic would withdraw, under these influences, from the agreement, which broke down because of the actions of these forces and also upon application of what was required, that is, if there is an indication of the return of an unnatural atmosphere to Yemen, in its two halves, then without the least doubt there would be a wasting of the climate of stability which is something that is needed by the North more than by any other Arab country in order to utilize the potential of the people and the resources of the country for continuing to build a strong, independent, national economy. This will bring this part of Yemen out from under foreign political influence bring based entirely on the capability of the Yemeni people.

[Box on p 32]

The Yemeni Embassy Comments

Commenting on the news report we published on the banning of the Yemeni newspaper AL-AMAL, which the National Democratic Front has been publishing in San'a, we have received comments from the embassy of the Yemen Arab Republic. We also received a report from San'a on the same subject. The embassy's comments follow:

My dear brother, the editor-in-chief of the magazine AL-TALI'AH, meetings.

On page 24 of your magazine, issue 939 issued on 3 May 1986, you published a report on the closing of the domestic newspaper AL-AMAL, which has been published in the Yemen Arab Republic. We regret the error of the report published by you, and make it clear to you that the aforementioned newspaper, as well as two other domestic newspapers, AL-WAHDAR and AL-SALAM, did not continue publishing on schedule because of their own particular reasons: In view of the fact that the law regulating the press in our country does not permit a delay in publishing a newspaper, no matter which one, for more than 3 months, the ministerial step was taken to ban the domestic newspapers AL-WAHDAR, AL-AMAL, and AL-SALAM because they did not continue to publish as the law requires.

12496/9435

CSO: 4404/385

BANGLADESH

EDITORIAL NOTES IMPORTANCE OF WALTERS VISIT

Dhaka THE BANGLADESH TIMES in English 15 Jun 86 p 5

[Text] The visit of Ambassador Vernon A. Walters, Permanent Representative of the US to the United Nations, has concluded underlining the esteem in which his country holds Bangladesh for her role in world affairs and the importance she attaches to the bilateral ties. The trip to Bangladesh came as part of his tour of some Asia-Pacific countries aimed at exchanging views on global issues prior to the UN General Assembly Session in September.

What gave a special dimension to the Dhaka visit of Walters was the opportunity it provided him to discuss world issues with government leaders of a country which has been nominated to take the post of President at the forty first session of the UN General Assembly.

Ambassador Walters began his visit on a note of appreciation for Bangladesh saying that "as a leading member of the Non-Aligned Movement and the Islamic Conference she has and will continue to have an important role to play at the United Nations". He lauded the 'moderate and constructive' positions taken by Bangladesh on different global issues. And after his fruitful discussions with President Ershad and Foreign Minister Humayun Rasheed Chowdhury we went away with a much better understanding of Bangladesh's stand on a wide range of multilateral issues. Wishing the SAARC a success he had praise for the efforts by seven nations to evolve a device to combat terrorism. Walters talks with Humayun Rasheed Chowdhury covered international issues concerning world peace, security and development with focus on the agenda of the forthcoming UN General Assembly Session. Ambassador Vernon hoped that the USA and Bangladesh would work together in the fulfilment of the UN goals.

The Walters visit coincided with a reiteration of the UN commitment to assisting Dhaka following President Reagan's expression of high appreciation for President Ershad's 'thoughtful letter to him' on the eve of Tokyo Summit which was useful for the summit negotiations.

The US programme of assistance to Bangladesh remains one of the largest in Asia despite her facing an acute budget pressure, it has been said. And the US is now ready to vary its multifibre arrangement to suit the special needs of the garment and textile industries of low-income countries like Bangladesh. Ambassador Walters said that both Bangladesh and the USA agreed on the need to maintain an open system for international trade.

BANGLADESH

REPORT ON MEETING OF BANGLADESH-EEC COMMISSION

Dhaka THE BANGLADESH OBSERVER in English 6 Jun 86 pp 1, 8

[Text]

Bangladesh has sought increased quantum of food aid from the European Economic Community for 1986, Commerce Secretary A.B.M. Ghulam Mustafa said in Dhaka on Thursday, reports BSS.

Talking to newsmen after the concluding session of the two-day eighth Bangladesh-EEC Joint Commission meeting, Mr. Mustafa said Bangladesh had requested EEC for supplying 2.4 lakh tons of wheat, 10,000 metric tons of edible and butter oil and 10,000 metric tons of skimmed milk. In 1985 the EEC provided Bangladesh with 1.40 lakh tons of wheat and 1,000 tons of vegetable oil, he said.

Mr. Mustafa, who led the Bangladesh side at the talks, said the meeting covered the various fields of bilateral cooperation. Measures for trade promotion, boosting exports, identification of product and market exploration were highlighted in the meeting, he said.

The Commerce Secretary said the meeting which was held in an atmosphere of "understanding," also broadly decided for increased collaboration in industrial energy and scientific fields.

He said in the meeting a tentative list of projects were supplied for assistance under project aid.

Addressing the Press conference, the leader of the EEC delegation Mr. E. Volpi assured that the community would consider Bangladesh proposal for increased food aid.

He said Bangladesh was one of the two largest recipients, of EEC food aid.

Negotiations on increasing the textile quota between Bangla-

desh and the European economic Community (EEC) will take place in Brussels next month. A communique issued on Thursday at the end of the two-day eighth Bangladesh-EEC Joint Commission meeting which held detailed discussions on trade promotions said the two sides agreed on increased cooperation in industrial energy and scientific fields.

The communique said regarding trade aspects the importance of trade promotion was recognized by both sides guidelines for future trade promotion were discussed and an extensive exchange of views took place on Bangladesh proposals particularly on leather marine products and Jute.

The 18-member EEC delegation comprising officials and country representatives was led by Mr E. Volpi Director in the External Relations Department of Latin American and the Asian desk.

The Bangladesh side comprising officials from all concerned ministries was led by the Commerce Secretary Mr A.B.M. Ghulam Mustafa.

The communique said, a preliminary exchange of views on food strategy for Bangladesh took place in the meeting. The Bangladesh delegation formulated their initial reaction in regard to provisions of Third-Five Year Plan and will present to the EEC a paper on this subject soon.

On cooperation in industrial, energy and scientific fields, Bangladesh delegation made some proposals which were discussed. Further discussions will take place on areas and methods of cooperation later on.

Bangladesh delegation expressed thanks to the EEC from extending stabex facilities to least developed countries outside the ACP including Bangladesh. Bangladesh side also put forward a request to the EEC to consider extension coverage of this facility in future to some late products, the communique said.

The communique said the meeting began with a general review of the performance of the Second Five-Year Plan in Bangladesh by the Commerce Secretary Mr A.B.M. Ghulam Mustafa. He also spoke of significant investments made on many fronts in the first year of the third plan-mainly in food production export growth and population control. The leader of the EEC delegation spoke of the general economic trends in the community and particularly of the effects of the falling oil prices on the European economy.

A review of the generalised system of preference scheme utilisation was made and a GSP seminar is likely to take place in Dhaka at the regional and national level in the near future.

The communique said the total aid programme from the EEC has reached Taka 1,160 crore 325 million (U.S dollars) over the last ten years. A survey was made in the meeting on the on-going development project programmes supported by the EEC. Both sides agreed that no

efforts should be spared to implement the projects rapidly and noted the favourable influence of rural development efforts in Bangladesh.

They looked forward to an early commencement of the Rangpur rural development programme to be co-financed by the Government of Bangladesh the EEC and the Netherlands. A pipe line of projects for future implementation will be presented by Bangladesh.

Bangladesh put forward proposals for an increased food aid programme. The proceeds from the sale of these products are to be directed to local cost financing development projects in the rural development and food security sector the communique said.

/12828

CSO: 4600/1898

1 August 1986

BANGLADESH

SCIENTIST TELLS OF DELEGATION VISIT TO PRC

Dhaka THE BANGLADESH OBSERVER in English 26 May 86 p 1

[Text] China is willing to undertake joint collaboration research projects with Bangladesh in various fields of science. Dr. A. M. Sharafuddin, Secretary Science and Technology Division said in Dhaka on Sunday.

Dr. Sharafuddin, leader of the six-member Bangladesh scientists delegation which visited China from May 11 to 21 told BSS that the Chinese scientists agreed in principle to collaborate with Bangladesh in ten different areas of science.

He said that the Chinese were prepared to work out further details in this regard.

Dr. Sharafuddin said that China in its five-year plan 1986-90 has taken science as a major instrument for socio-economic development and to achieve that goal the Chinese Academy of Science and its 122 research institutes were given adequate autonomy of work and in maintaining national and international linkages.

He said that as Third World country both China and Bangladesh had great similarity in their research activities and there were ample opportunities for undertaking joint collaboration projects between the two countries.

Under the Bangladesh-China cultural agreement this was the first Bangladesh scientists delegation to China. They visited major scientific research laboratories in Beijing, Shanghai and Canton.

The areas identified for mutual cooperation in the field of science and technology are science policy and research and development management technology development and transferable sources of energy, biological

of technology new and renewable sciences electronics electrical and civil engineering computer science and technology earth quake forecasting space science and remote sensing nuclear energy science libraries and museums and exchange of scientific journals and periodicals.

Other members of the delegation were Prof. Abdul Matin Patwary, Vice-Chancellor Bangladesh University of Engineering and Technology, Prof. A. K. M. Nurul Islam, Department of Botany, Dhaka University, Prof. S. S. M. A. Khorasani, Chairman, Bangladesh Council of Scientific and Industrial Research, Prof. M. Nurul Islam, Department of Physics, Rajshahi University and Mr. M. Shamsul Haq, Assistant Scientific Advisor, Science and Technology Division.

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CSO: 4600/1883

BANGLADESH

PARTIES MEET TO CONSIDER PRO-ISLAMIC ALLIANCE

Dhaka THE BANGLADESH OBSERVER in English 28 May 86 p 1

[Text]

The extended meeting of the Planning Commission which resumed on Tuesday morning with its Chairman President Hussain Muhammad Ershad presiding finalised, Taka 4,764 crore Annual Development Programme for 1986-87, reports BSS.

The ADP profile will now be placed at the meeting of National Economic Council NEC for final adoption. The NEC meeting is scheduled on July 7 next.

Briefing BSS, Secretary, Planning Division, Ahmed Farid said the total outlay of next fiscal year of Taka 4,764 crore included project aid of Taka 2,514 crore. The local finance portion of Taka 2,250 crore included self financing projects of Taka 250 crore to be implemented by various sector corporations.

The next year's ADP schedule envisages implementation of over 790 projects which included 100 new one and the rest spill over from the Second Five-year Plan period. The ADP plan schedule has been designed keeping in mind the framework of the Third Five-year Plan (TFP).

Secretary Planning Division said a total of 1,194 development projects including 802 new ones have been stipulated during TFYP.

He said 64.42 per cent projects to be taken up during the second year of TFYP (fiscal year 1986-87) are part of core projects designed to accelerate economic growth of the country.

The Planning Division Secretary said the planned outlay of Taka 4,764 crore for 1986-87 ADP showed an increase of 16.32 per cent from 1985-86 fiscal year allocation of Taka 4,095.54 crore.

The projected rate of economic growth on implementation of development projects under ADP schedule during next fiscal year has been visualized at 8.2 per cent. The major sectorwise growth rate has been calculated at 3.4 per cent in agriculture 10.3 per cent in industry 2.6 per cent in power and energy and 8.2 per cent in transport sector.

Detailing about the technical assistance projects involving an amount of Taka 63.56 crore to be supported by different international organisations and U.N. Agencies Ahmed Farid said a total of 80 projects have been scheduled under the head spreading over sectors like agriculture water resources industries power transport and physical planning water supply and housing.

The Planning Division Secretary said the finalisation of sectoral targets and allocation for next fiscal year's ADP at the two day extended meeting of the Planning Commission have been worked out on the basis of target set in the TFYP and implementation compulsion of the spill over projects from the Second Five-year plan Period.

He said the new projects have included keeping in view the

Government policy and priorities in various sectors for achieving balanced and accelerated economic growth as envisaged in the Third Five-year Plan.

The meeting held on Tuesday was attended among others by DCMLA Air Vice Marshal Sultan Mahmud Planning Minister Major General (retd) Shamsul Huq Finance Adviser Sayeeduzaman members of the Planning Commission and concerned Secretaries to the Government.

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CSO: 4600/1887

BANGLADESH

DETAILS OF INDO-BANGLADESH TRADE PACT GIVEN

Document Signed in New Delhi

Dhaka THE BANGLADESH OBSERVER in English 17 May 86 p 1

[Text]

NEW DELHI May. 16.—Bangladesh and India signed here today a document extending the existing bilateral trade agreement for a period of three years and proposing specific measures to increase the trade volume and reduce the imbalances reports BSS.

The signing of the accord followed three days of trade review talks between Bangladesh led by Commerce Secretary A.B.M. Ghulam Mostafa and Indian team headed by Union Commerce Secretary Prem Shankar.

Both Mr. Mostafa and Mr. Shankar signed the agreement this afternoon on behalf of their respective delegations.

The two sides agreed to hold the next trade review talks in Dhaka sometime next year.

Under the renewed agreement to be effective from October this year, India has agreed to import from Bangladesh Jamdant Saree worth Rs. 10 lakh (Tk. 20.8 lakh) and jute carpet worth Rs 2.5 lakh (nearly Tk. 5 lakh) and raise the existing import of newsprint from 20,000 tons to 30,000 tons. Besides India would import about 50,000 tons of urea of which 20,000 tons would be delivered by December and remaining 30,000 by June next year.

Bangladesh would import its entire requirement of two lakh tons of coal from India out of which 150,000 tons would be of Bengal-Bihar coal and remaining 50,000 tons of Assam Meghalaya coal.

India during the talks offered to export wheat to which Bangladesh side pointed out that most of its wheat imports are essentially against grants. It also agreed to consider a Bangladesh proposal offering 1500 tons of bamboo pulp during the current year.

Official sources said India will organise a special exhibition in Dhaka in September this year. Bangladesh was also invited to participate in the India International Trade Fair here late this year.

The Indian delegation expressed interest in several industrial projects being set up in Bangladesh. The Bangladesh side invited Indian industrialists for joint collaboration in textiles spare parts, electrical goods industrial chemicals pharmaceuticals sports goods leather processing fish processing pesticides tools and instruments cement gas cylinder manufacture and deep-sea fishing.

After the signing both the delegations' leaders expressed satisfaction at the outcome of the talk which were held in a cordial and frank atmosphere. They hoped that the two-way trade would continue to be increased and diversified to the mutual benefit of the two countries.

The seven-member Bangladesh delegation included the High Commissioner to India Mr. A.K. Khandker and Dr. Shah Mohammad Farid Joint Secretary and Mr. Ghulamur Rahman Deputy Secretary of Commerce Ministry.

Writer Cites Trade 'Imbalance'

Dhaka HOLIDAY in English 30 May 86 pp 1, 8

[Article by Hassan Abul Quasem]

[Text]

Bangladesh's chronic trade imbalance with India has been causing serious worries in the relevant circles as it presently shows no signs of improvement in the growing bilateral trade transactions.

The cumulative trade imbalance now stands at 540 million dollars since 1972 and the figure of total trade turnover rose to the highest ever at over 100 million dollars during last year.

The agreement which was signed this month does not envisage any appreciable move to remove the trade imbalance with India.

Bangladesh's export which recorded at a higher level of 40 million dollar last year, declined sharply during the first six months of the current year.

The transaction shows a very disquieting picture as Bangladesh's export recorded at 6 million dollars against its import of 30 million dollars from India during this period.

The drastic shortfall in Bangladesh's export was due to the absence of raw jute and bitumin from the export list. Raw jute alone accounted for over 60 per cent of Bangladesh's export during last year.

India has gradually progressed to meet its import requirements from domestic sources and the demand for these items.

The trade imbalance which was recorded at slightly over 71 crore takas is remains at the same level despite a substantial growth in the total trade turnover over the years. The total trade turnover grew from over 100 crore takas to the level of about 278 crore takas during the last year with the transactions going in favor of India.

The huge amount of cumulative trade imbalance has been incurred owing to the non-implementation of the bilateral agreements by India.

India, did not import substantial quantities of newsprint and other items earmarked in the agreement in different years.

Despite Bangladesh's repeated requests to India it did not pay any heed to the implementation of the agreements by importing specific amounts of newsprint, raw jute, bitumin, jute carpet and other items.

The low product base of Bangladesh and the fewer number of items to offer to India as well as a lack of

competitive prices for Bangladesh items, and the inability to supply some of the items are also attributed as the reasons behind the growing trade imbalance.

India now has over 3000 items on its export list. The number was 50 at the time partition in 1947.

Bangladesh in its bid to remove the trade imbalance asked the Indian Government to offer tariff concessions to some of its important items which have considerable market demand in India.

Under the Bangkok Agreement Bangladesh requested tariff concessions on the import of jamdani and jute carpet from Bangladesh.

India, on the contrary, requested Bangladesh to revise its import standardization and specifications of agricultural implements, engines and irrigation pumps. Besides, India has been exerting pressure on Bangladesh to provide rail transit facility through its territory and to export natural gas to India.

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CSO: 4600/1891

BANGLADESH

FINANCE MINISTER SPEAKS ON EXPORT POLICY

Dhaka THE NEW NATION in English 25 May 86 pp 1, 8

[Text]

Reform of trade and industrial policies is a pre-condition for addressing the country's chronic balance of payments problems, Finance Adviser Mr. M. Syeduzzaman said in Dhaka yesterday, reports BSS.

Inaugurating a seminar on export policy of Bangladesh in the context of studies under the Trade and Industrial Policy Project (TIP) of the Planning Commission, the adviser said reforms which are of medium and long-term nature undoubtedly needed in-depth analysis.

Mr. Syeduzzaman said Bangladesh's balance of payment gap as is well known is a mirror image of savings and investment gap and export today can finance only about 35 per cent imports. The position has not changed much over the years though there has been ups and downs, he said.

He said total foreign exchange earnings including remittances financed no more than 60 per cent of imports and over last decade current account deficit as a percentage of GDP had remained high with wide variations. The trade gap represented 10 per cent of GDP during 1976-77, 78-79 and rose to about 14 per cent of the GDP in early 80's, he said.

The adviser pointed out that it had been rightly said in the studies that Bangladesh needs vigorous export growth if it is to break out of its current structural imbalance.

Presided over by the Secretary of the Planning Commission Mr. Ahmed Farid the inaugural session was also addressed by TIP Project Director Dr. A.K.M. Mobin. Governor Bangladesh Bank Mr. Nurul Islam was also present.

Mr. Syeduzzaman told the seminar that the organised industrial sector in Bangladesh still accounted for a small part of the GDP. But there has been a steady growth, perhaps at the rate of six percent per annum in the past decade, and even better in the most recent years, he pointed out.

He said that the criticism about the country's industrial policy and industrial investment, part of which is inherited, was that these had favoured import substitution—mostly of the wrong kind.

Mr. Syeduzzaman noted that in our situation import substitution should have started with agriculture rather than industries. He said import substitution in the case of food, fertilizer, edible oil, and cotton should have received much higher priority in resource allocation than had been the case.

The TIP studies, the adviser said, have brought out, that domestic industries, in many cases were over protected, resulting from a strong anti-export bias in our industrial policy which was not apparently realised.

He said the TIP studies and reports deserved full attention and it is for the government, the policy makers and the entrepreneurs to examine and decide to what extent future action on the basis of these diagnoses could be corrected.

The Finance Adviser said a stable policy environment whether relating to trade, or industrial investment, is a prerequisite for attracting investment into economically sound industrial projects. He said manufacturing was not like trading and other traditional activities that require

little investment, and enjoy quick paybacks periods. It is also true that industrial incentive policy is frequently changed, entrepreneurs would be reluctant to invest in any project requiring a substantial commitment of their own funds and yielding a normal rate of return.

Mr. Syeduzzaman referred to studies which pointed out that Bangladesh suffers from a dualistic industrial structure. Besides jute goods, a few internationally competitive industries largely dependent on imported inputs, exist side by side with highly protected industries producing substandard goods for the domestic market. This has resulted from adhoc incentive policies not infrequently formulated in response to lobbying by interested groups.

The adviser agreed with the report that government must adopt general guidelines for industrial incentive policies and deviation from which have to be justified only by exceptional circumstances involving social considerations.

In the business session of the seminar which was presided over by Governor of Bangladesh Bank, Mr M Nurul Islam, two papers were presented—one by Dr Richard Dick Mallon, adviser to TIP and the other by Dr A Rab, a local consultant.

Later discussions were held on the papers and TIP studies which was participated by former Finance Minister, Mr. A.M. A. Muhith, Commerce Secretary Mr. Ghulam Mustafa and President of the Dhaka Chamber of Commerce and Industry, Mr. Mahbubur Rahman.

During the discussions interventions were made by Secretary of the Industries Division, Mr. Muslehuddin Ahmed, Dr. Kazi Khaliquzzaman, representatives of the private sector who included Mr. Nurul Quader Khan, Mr. M.R. Siddiqui, President of the Federation of Bangladesh Chambers of Commerce and Industry, Mr. M.A. Kashem Mr. Khaled Salahuddin and Dr. M.I. Talukdar.

In course of the discussion consensus was reached on providing higher incentives for the rapid growth of export and the careful adoption of reform measures during the Third Five-Year Plan period.

It was also stressed that the new measures recommended by TIP studies like tax exemption certificates and export performance benefit (XPB) on net basis should receive due consideration.

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CSO: 4600/1882

BANGLADESH

EXPORT EARNINGS EXPECTED TO FALL SHORT

Dhaka THE NEW NATION in English 21 May 86 pp 1, 8

[Text]

Export earning of the country during the current fiscal year 1985-86 is likely to fall short of the targetted Tk. 2655 crore by at least Tk 150 crore, according to reliable sources.

The earning during the first nine months of the current year was, however, higher than that during the corresponding period of the last fiscal year. But in terms of dollar, the export earning in nine months this year was lower than that of last year during the same period.

The export target this year was fixed at Tk 2655 crore keeping in view the obtaining and foreseeable situation in the international market. During the first nine months (July '85 to March '86) export of various primary and manufactured goods fetched Tk 1904 crore. Export earning of another Tk 751 crore during the remaining three months (April to June) would be required to reach the target. Relevant circles ruled out the possibility of this in view of the prevailing situation in international market. They thought export during this period could hardly fetch Tk. 600 crore.

It is gathered from various sources concerned that a downward trend in the prices of primary commodities like raw jute, tea and some frozen foods and agricultural products was observed in international market for a considerable period between October and January last. This was perhaps due to satisfactory production of those in some other countries, they opined.

During July '85 to March 86 period raw jute export fetched Tk 298.7 crore, tea in bulk and packet Tk 86.2 crore, frozen food Tk 257.3 crore, fish Tk, 12.4 and agricultural products Tk 43.3 crore.

Of the manufactured commodities, jute goods export earned Tk 684.6 crore naptha and bitumen Tk 31.2 crore ready-made garments Tk 298.3 crore, chemical and pharmaceutical products Tk 13.2 crore paper and allied products Tk 15.8 crore engineering products Tk. 4.8 crore and other commodities Tk 1.5 crore.

/12828

CSO: 4600/1879

BANGLADESH

EXPORT PROMOTION BUREAU PROPOSES TARGET FOR 1986-87

Dhaka THE BANGLADESH OBSERVER in English 30 May 86 pp 1, 8

[Text]

Export Promotion Bureau (EPB) has proposed for setting the country's overall export earnings for the forthcoming fiscal year, 1986-87, at 912.90 million US dollars (Taka 2830 crore).

The proposals were placed before the Export Promotion Council (EPC) at its meeting on Thursday at Hotel Sonargaon with Commerce Minister Kazi Zafar Ahmed in the chair.

The EPC, comprising Government officials, bankers and representatives of the private sector, discussed threadbare the operational aspects of the proposals in the backdrop of export performance in 1985-86.

The proposed export target envisages a 4.29 per cent growth in export earnings in US dollar terms over the anticipated level of performance at 875.49 million dollars in 1985-86. In Taka terms, the target for 1986-87 has been proposed at 8.84 per cent higher than the estimated earnings of Taka 2600 crores in 1985-86. The rate of exchange has been estimated at Taka 31 for one US dollar in 1986-87 compared to Taka 29.71 for one US dollar in 1985-86.

EPB's export proposal for 1986-87 include earnings from 21 lakh bales of raw jute exports at Taka 420 crore (135.48 million dollars) and those from 5.50 lakh tons of jute goods at Taka 1000 crore (322.58 million dollars). Export earnings have been proposed at Taka 125 crore (40.32 million dollars) from tea, Taka 225 crore (72.58 million

dollars) from leather, Taka 320 crore (103.27 million dollars) from frozen food, and Taka 550 crore (177.42 million dollars) from ready-made garments.

Export items including naptha and bitumin, agricultural produces (vegetables etc), chemical products, handicrafts, engineering products and others during the coming fiscal year have been proposed at Taka 190 crore (61.30 million dollars).

EPB's review of export performance during the first ten months of the current fiscal year (1985-86) showed the country's total export earnings from merchandise goods at Taka 2082.11 crore (703.42 million dollars). On the basis of this performance, the Bureau has estimated that the annual export earnings in 1985-86 (July 1985 to June, 1986) would be around Taka 2600 crore (875.49 million dollars), falling short of the earlier-projected level for the year by, in Taka terms, Taka 55 crore and, in US dollar terms, 89.96 million dollars. The shortfall will be due to lagging performance in all major export sectors.

Jute sector

In the jute goods sector, annual export performance at 4.62 lakh tons are now expected to fetch Taka 940 crore (316.52 million dollars) as against the target of Taka 1040 crore (378.15 million dollars). The physical volume of jute goods exports are now estimated at 4.62 lakh tons for the year compared to the target of 5.60 lakh tons. In leather, the total annual earnings are expected at the level of Taka

187 crore (62.99 million dollars) compared to the target of Taka 235 crore (85.45 million dollars) and the estimated export volume of this item at 75.33 million square feet (SFT) will be 29.67 million SFT, short of the related target. Export earnings from tea would be around Taka 115 crore (38.74 million dollars) which is Taka 17 crore (9.26 million dollars) below the target. But, in volume terms, tea exports at 34.70 million kilograms (KG) will be higher than the target of 32 million Kg.

Raw jute exports in 1985-86 are estimated to be around Taka 400 crore (134.73 million dollars) compared to the target of Taka 590 crore (141.82 million dollars) and in volume terms, the exports of raw jute would involve 21 lakh bales as against the related target of 21 lakh bales.

In the much-talked about ready-made garments sector, the estimated export earnings at Taka 421.50 crore (145.19 million dollars) will also be short of the target at Taka 455 crore (165.45 million dollars).

The redeeming signs in the export performance in 1985-86 are the encouraging growth in frozen food exports and agricultural produces, total earnings from frozen food are now expected at the level of Taka 340 crore (114.54 million dollars) exceeding the related target by, in Taka terms, Taka 95 crore and in US dollar terms 26.45 million dol-

lars. In volume terms the exports of frozen food are estimated to involve 47.78 million lbs as against the target of 40 million lbs. As for agricultural produce total export earnings are expected at Taka 60 crore (18.54 million dollars) compared to the target of 48.51 crore (16.39 million dollars). The exports of chemical products at Taka 46 crore (13.80 million dollars) will be somewhat higher than the target of Taka 35 crore (12.73 million dollars).

Meanwhile, the exporters particularly those from the private sector while deliberating on the problems and constraints facing the country's export trade sector at the meeting of the EPC discussed the issues connected with bank credits, funding arrangements, export performance benefit ((XPB) cash subsidy, power supply arrangements, duty drawback, customs and duty structure, export credit guarantee scheme, transportation and shipping problems, administrative bottlenecks, procedural delays etc. In all, 233 specific proposals on export policy were tabled before the EPC meeting.

The meeting was addressed by the representatives of various chambers including Federation of the Bangladesh Chamber of Commerce and Industry Dhaka

Chamber of Commerce and Industry and Metropolitan Chamber of Commerce and Industry.

Earlier, Commerce Minister Kazi Zafar Ahmed, inaugurating the meeting, called upon the exporters and producers to make full and effective utilization of the facilities offered by the Government to boost the country's export trade. He felt that more coordinated efforts would be needed to boost production and exports of traditional exports and to expand the supply base for non-traditional items. He assured all concerned that the Government was determined to extend all-out support and co-operation to export promotional drive.

Referring to the export performance in 1985-86 the Commerce Minister stated that the fall in export prices of traditional goods in the international markets had caused some setbacks to export performance. He pointed out that the overall physical volume of exports had recorded a rise by 6.56 per cent in the first ten-months of the current had led to a contraction in export prices of traditional items had led to a contraction in export earnings in US dollars by 12.01 per cent during the period under report compared to the earnings during the corresponding period under report.

/12828

CSO: 4600/1889

BANGLADESH

PAPERS REPORT, COMMENT ON ANNUAL DEVELOPMENT PLAN

Council Approves

Dhaka THE BANGLADESH TIMES in English 8 Jun 86 p 1

[Text]

The National Economic Council (NEC) at a meeting held in Dhaka on Saturday with President H. M. Ershad in the chair approved a Taka 4,764 crore Annual Development Programme (ADP) for 1986-87 fiscal year, reports BSS.

The total outlay of the ADP for the year includes Taka 2,250 crore in local currency and Taka 2,514 crore in foreign exchange designed to implement 795 projects, an

official handout said.

Of the projects, 197 are priority projects or classified as core projects. About 70 per cent of money sanctioned including project aid would be spent for the core projects the hand out added.

During the year 4.50 lakh tons of foodgrains worth Taka 247 crore will be used in the rural areas under 'Food for Work' programme outside the purview of ADP.

The special feature of the ADP is the lump sum allocations of Taka 370 crore in local currency for districts and upazilas for accelerated development of the upazilas and proper implementation of the decentralisation policy of the Government, Taka 20 crore for development of the pourashavas and Taka 46 crore for implementation of special development projects in Chittagong Hill Tracts area.

The target of overall economic growth rate has been set at 5.2 per cent. Of this the rate of growth in agri-

culture sector is expected at 3.6 per cent, in industry at 10.3 per cent, in power and gas sector 26 per cent in transport 6.2 per cent and other sectors four per cent.

The meeting was attended by the DOMALs Rear Admiral Sultan Ahmad and Air Vice Marshal Sultan Mhmud, Ministers, concerned Secretaries to the Government and high civil and military officers.

Experts Termed Skeptical

Dhaka THE BANGLADESH OBSERVER in English 13 Jun 86 p 5

[Text]

The National Economic Council has recently approved a Taka 47,640 million Annual Development Programme (ADP) for 1986-87 fiscal year. The total outlay of the ADP for the year includes Taka 22,500 million in local currency and Taka 25,140 million in foreign exchange. In terms of projects, the plan proposes to undertake a total of 795 projects, of which 197 have been designated as core or priority projects. Outside the purview of ADP, a total of 0.45 million tons of programmes

worth Taka 2,470 million will be used in the rural areas under Food For Work Programme. A special feature of ADP is the lump sum allocations of Taka 3,700 million in local currency for districts and upazilas for accelerated development of the Upazilas. Last but not the least, the target of overall economic growth rate has been set at 5.2 per cent.

There is no denying the fact that in a planned economy like Bangladesh, annual development plans are of immense importance in giving the economy the required direction. But our past experience with plans compels us to raise a few fundamental issues in the light of the above discussion. Annual development plans are different building blocks within the respective five-year plans that we formulate. Therefore, any annual development plan must aim at moving towards the realisation of the stated objectives of the relevant five-year plan. The present annual plan comes within the purview of our third Five-Year Plan. Thus, one important question that must be examined fully is whether the present annual plan is consistent with the objectives of our longer-term plan.

The second important issue is that following the continuing trend, the local currency part of the present annual development plan is still lower than the foreign exchange part. Given our export earnings, it implies that our development programmes are very much dependent on foreign aid. Thus our domestic resource mobilisation for our development programmes is very meagre and it makes the whole development process subject to all risks and uncertainties associated with external assistance. But the long term development process of any country cannot continue with excessive dependence on others. Attempts must be made to be self-dependent and self-reliant.

As far as the number of projects is concerned, the present annual development plan is quite impressive. But here there are two issues which must be given due importance. First, a number of these projects are spill-overs from earlier years. Second, our past experiences with projects have confirmed that it is better to undertake fewer, useful projects and complete them in time rather than to go for an impressive number and leave a majority of them unfinished. There are a number of well-known bottlenecks associated with successful implementation of projects in this economy. It is more important and necessary to identify these bottlenecks and remove them. The successful implementation of any development plan critically hinges on that.

In the current ADP, a special provision has been made for the development of upazilas. Decentralisation is a desirable thing, no doubt, but mere creation of physical facilities is not going to solve the problems associated with local level resource allocation, local level planning and the local level government. There are a number of well-known bottlenecks and problems in each of these areas where some immediate reforms are essential. Without addressing those problems, decentralisation will not be able to give its benefits to the local people.

Experts are also skeptical about the target economic growth rate as stipulated in the current ADP. Past experiences have shown that we always start with an over-ambitious target, but then revise and modify it in the downward direction. It creates incredulity and frustration within the whole system. Such a situation is not desirable either. In plan making, therefore, let us move in a more pragmatic manner and do something useful.

Newspaper's Assessment of Plan

Dhaka THE BANGLADESH TIMES in English 29 May 86 p 5

[Text] The Annual Development Programme for 1986-87, as finalised by the Planning Commission on Tuesday, under the chairmanship of President Hussain Mohammad Ershad, can be evaluated under four broad criteria. These are: (a) rate of acceleration in economic growth visualised; (b) old and new project undertakings; (c) sectoral emphases pattern; and (d) dependence on internally mobilised resources by way of supplementing aided development as well as of augmenting self-reliance.

The size of the ADP for 1986-87 will be 1632 per cent bigger in allocational terms compared with that of fiscal 1985-86. With this much of increase in outlay we are visualising to step up economic growth by 5.2 per cent at the close of 1986-87--a rate of acceleration in development that sounds impressive by a standard. After all, the increase in outlay is presumably by way of cushioning against escalated costs involved in implementing the carry-over projects as well as providing for the new projects in keeping with the goals of the Third Five-Year Plan. Fiscal 1986-87 is the second year of the TFYP period and as such is billed to undertake 64.42 per cent of its total schedule of projects, which are part of core projects designed to speed up economic growth in the country.

The new ADP, apparently has a considerable burden of old projects to shoulder. It envisages the completion of 690 projects spilling over from the Second Five-Year Plan period and the implementation of 100 new projects. Some of

the old projects may be approaching their last year of implementation according to the original time-schedule. And if there are others that have lingered for slower implementation, we have reasons to redouble our efforts at completing them by 1986-87, as decided.

The quicker we freed ourselves from the burden of spill-over projects, ~~commoting an implementation compulsion, the better it will be for us in~~ accelerating national development.

The implementation agencies are under clear-cut instructions to feel time-bound in completing their projects. Proper project formulation and speedy implementation have not only been conceptually emphasised but also administratively provided for in the devolution of power upon the local authorities and a supervisory machinery.

The second element to the new ADP is the order of sectoral priorities. Through reproductive investments in agriculture and industry, a sum total of 13.7 per cent growth has been aimed at in the sectors, and infrastructural development is calculated to be 2.6 per cent in the power and energy sector and 6.2 per cent in the transport sector.

Technical assistance projects, supported by different international organisations and the UN agencies, are likely to considerably benefit agriculture, water resources, industries, power, transport and physical planning and water supply and housing.

Of the total development outlay of Tk. 4767 crore for 1986-87, project aid constitutes Tk 2,514 crore while the quantum of local finance will be to the tune of Tk. 2,250 crore. Various sector corporations would implement projects worth Tk. 250 crore from their own resources. These figures are indicative of an increasing self-reliance.

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CSO: 4600/1888

PAPER GIVES DETAILS OF CABINET APPOINTMENTS

Dhaka THE BANGLADESH OBSERVER in English 26 May 86 pp 1, 8

[Text]

President Hussain Muhammad Ershad on Sunday appointed 17 Ministers, 5 State Ministers and 3 Deputy Ministers, reports BSS.

The oath of office was administered to the newly appointed Ministers, State Ministers and Deputy Ministers by the President at a simple ceremony at Bangobhaban on Sunday afternoon.

The newly appointed ministers are: Mr. Mizanur Rahman Chowdhury, Mr. Moudud Ahmed, Maj. Gen. (Retd.) N. Shamsul Huq, Maj. Gen. (Retd.) Mahabbat Jan Chowdhury, Air Vice Marshal (Retd.) Aminul Islam, Kazi Zafar Ahmed, Mr. Shamsul Huda Chowdhury, Dr. M. A. Matin, Mr. M. Korban Ali, Shah Moazzam Hossain, Mr. M. A. Sattar, Mr. Anisul Islam Mahmud, Mr. Sirajul Hossain Khan, Mr. Anwar Hossain, Mr. Humayun Rasheed Chowdhury, Mr. Salahuddin Kader Chowdhury

and Mr. A. K. M. Moyezul Islam.

The five State Ministers are: Mr. Shafiqul Ghani Shapan, Mr. Sunil Gupta, Lt. Col. (Retd.) Zafar Imam, Mr. Anwar Zahid, and Mr. Mostafa Jamal Haider.

The three newly appointed Deputy Ministers are: Sheikh Shahidul Islam, Mr. Ziauddin Ahmed Bablu and Mr. Mesbahuddin Ahmed Bablu.

The swearing-in ceremony was attended among others by DCMLAs Rear Admiral Sultan Ahmad and Air Vice Marshal Sultan Mahmood, high civil and military officials.

With the appointment of New Ministers the size of the Cabinet now stands at 25. The newly appointed ministers were members of the Council of Ministers before holding of May 7 parliamentary elections. They resigned from the cabinet to contest the elections.

All the Ministers, State Ministers and Deputy Ministers excepting the Deputy Minister, Mr. Ziauddin Ahmed Bablu contested the elections and were unofficially declared elected to the Jatiya Sangsad.

The President has also appointed Mr. T. I. M. Fazlee Rabbi Chowdhury as adviser to the president. Mr. Chowdhury will enjoy the status and privileges of a Cabinet Minister and will be in-charge of O and M, Regulations and Training wing of Ministry of Establishment.

Portfolios

The President has assigned the Ministries to the charge of the Ministers as shown against their names; according to PID handout.

Rear Admiral Sultan Ahmed DCMLA and Chief of Naval Staff—Ministry of Ports Shipping and Inland Water Transport; Air Vice Marshal Sultan Mahmood BU asdc DCMLA and Chief of Air Staff—Ministry of Industries; Janab Mizanur Rahman Chowdhury—Ministry of Post and Telecommunications; Mr Moudud Ahmed—Ministry of Communication; Justice A K M Nurul Islam—Ministry of Law & Justice; Major General Abdul Mannan Siddiqui—Ministry of Relief and Rehabilitation; Major General (Retd) M Shamsul Haque—Ministry of Planning; Major General (Retd) Mohabbat Jan Chowdhury—Ministry of Food; Major General I A Munim psc—Ministry of Agriculture; Major General Mahnuddul Hassan—Ministry of Home Affairs; Air

Vice Marshal (Retd) K M' Aminul Islam—Ministry of Local Govt., Rural Development and Co-operatives; Kazi Zafar Ahmed—Ministry of Commerce; Mr Shamsul Huda Chowdhury—Ministry of Religious Affairs; Dr M A Matin—Ministry of Education; Mr M Korban Ali—Ministry of Labour and Manpower; Shah Moazzam Hossain—Ministry of Information; Mr M A Sattar—Ministry of Jute & Textiles; Mr Anisul Islam Mahmud—Ministry of Irrigation Water Development and Flood Control; Mr Sirajul Hussain Khan—Ministry of Fisheries and Livestock; Barrister Rabia Bhuiyan—Ministry of Social Welfare and Women Affairs; Mr Zakir Khan Chowdhury—Ministry of Youth and Sports; Mr Anwar Hossain—Ministry of Energy & Mineral Resources; Mr Humayun Rasheed Chowdhury—Ministry of Foreign Affairs; Mr Salahuddin Kader Chowdhury—Ministry of Works and Mr A K M Mayeedul Islam—Ministry of Land Administration and Land Reforms;

The President has also ordered that the following will be Ministers of State in the Ministries as shown against their names:—Mr Shawfikul Ghaani Shapan—Ministry of Defence (Civil Aviation & Tourism Division); Mr. Sunil Gupta—Ministry of Communication; Mr. Zafar Imam—Ministry of Energy & Mineral Resources; Mr. Anwar Zahid—Ministry of Information and Mr Mostafa Jamal Haider—Ministry of Local Government Rural Development and Co-operatives.

The President has further ordered that the following will be Deputy Ministers in the Ministries shown against their names:—Shaikh Shahidul Islam—Ministry of Youth and Sports; Mr Ziauddin Ahmed Bablu—Ministry of Education and Mr. Mesbahuddin Ahmed Bablu—Ministry of Industries.

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CSO: 4600/1883

BANGLADESH

JURISDICTION OF ANTICORRUPTION COUNCIL MODIFIED

Dhaka THE NEW NATION in English 27 May 86 pp 1, 8

[Text]

The Government has modified the existing jurisdiction of Anti-corruption Council and the committees superseding previous circulars to ensure quick disposal of corruption cases against government and public servants and others according to a gazette notifications report BSS.

This will come into force with immediate effect, the Cabinet Division of the Presidents Secretariat said in a notification.

The action was taken after considering the recent re-organisation and decentralisation of administration upto upazila level and increase in the number of government and public servants at different levels of administration, the gazette added.

Following is the modified jurisdiction of the Anti-corruption Council and committees over corruption cases against different categories of government and public servants and others:

1) Anti-corruption council—
(i) class-I gazetted government servants and officers of autonomous semi-autonomous and statutory bodies in the modified new scales of Tk. 1,650-3,020 and above.

(ii) Important persons like M.Ps, mayor, municipal corporations chairman upazila parishads, municipal committees, Red-Cross Society, central cooperative societies and other V.I.Ps and important members of public.

2 Hq. anti-corruption committee—(i) All gazetted government servants below the modified new scales of Tk. 1,650-3,020.

(ii) All officers of autonomous, semi-autonomous and statutory bodies having the modified new scales between Tk. 900-2,075 to Tk. 1,350-2,750 both inclusive.

(iii) All non-gazetted government employees whose appointing authorities are ministries/directorates working in the ministries/directorates in Dhaka metropolitan area.

3. Divisional anti-corruption committee (i) Cases of all non-gazetted employees of government including Railways and autonomous and semi-autonomous bodies within the division other than those under the jurisdiction of H.Q. anti-corruption committee and district anti-corruption committees.

(ii) Cases of commissioners of municipal corporation and municipalities.

4 District anti-corruption committee—(i) All cases against non-gazetted employees of government including railways stationed within the local limits of the district whose appointing authority is a district level officer and not covered by committees mentioned earlier.

(ii) All cases against officers/employees of autonomous, semi-autonomous and other statutory bodies stationed within the district whose appointing authority is a district level officer.

(iii) All cases of chairman, vice-chairman and members of union parishad.

/12828

CSO: 4600/1885

AMENDMENT TO ORDINANCE ON UPAZILLA CHAIRMEN

Dhaka THE NEW NATION in English 8 Jun 86 pp 1, 8

[Text]

The President has promulgated an ordinance amending the Local Government (Upazila Parishad and Upazila Administration Reorganisation) Ordinance 1982, reports, BSS.

According to the amendment a chairman elected as member of parliament shall cease to be chairman on the publication by the Election Commission in the Official Gazette his name as a returned candidate and the office of such chairman shall become vacant.

Following is the text of the Local Government (Upazila Parishad and Upazila Administration Reorganisation—second amendment) Ordinance 1986 promulgated by the President yesterday.

Whereas it is expedient further to amend the Local Government (Upazila Parishad and Upazila Administration Reorganisation Ordinance 1982 for the purpose hereinafter appearing.

Now therefore in pursuance of the proclamation of the 24th March 1982 and in exercise of all powers enabling him in that behalf the President is pleased to make and promulgate the following ordinance, namely:

Short title: This ordinance may be called the Local Government (Upazila Parishad and Upazila Administration Reorganisation) (second amendment) Ordinance 1986.

Amendment of Section 6 Ord LIX of 1982. In the Local Government (Upazila Parishad and Upazila Administration Reorganisation) Ordinance 1982 (Ord LIX of 1982) in section 6.

(A) in Sub-Section, (2) for clause (1) the following shall be submitted and shall be deemed always to have been so substituted, namely:—

“(A) he is a member of parliament,” “(AA) he is declared by a competent court to be of unsound mind,”

(B) After Sub-Section (2) the following new Sub-Section shall be added, namely:—

(3) notwithstanding anything contained in Sub-section 2 (A) or in any other law for the time being in force, a chairman elected as Member of Parliament in the general election held before the commencement of the Local Government (Upazila Parishad and Upazila Administration Reorganisation) (second amendment) Ordinance, 1986 (XXXIV of 1986), shall cease to be such chairman, and the office of such chairman, and the office of such chairman, shall become vacant, on the publication by the Election Commission in the official gazette his name as a returned candidate under the Representation of the People Order, 1972 (P.O. No. 155 of 1972).

PO 155 AMENDED

The President has promulgated another ordinance amending the Representation of the People Ordinance, 1972.

The Representation of the People (fifth amendment) Ordinance, 1986 provides that on election of a chairman of an upazila as a member of Parliament in the general election shall be deemed to be invalid on the ground that he was holding the office of the chairman at the time of such election. Such a person shall be qualified for being Member of Parliament on his ceasing to be chairman under the said ordinance, the ordinance noted.

Following is the full text of the Representation of the People (fifth amendment) Ordinance, 1986.

Ordinance further to amend the Representation of the People Order, 1972 whereas it is expedient further to amend the

Representation of the People Order 1972 (P.O. No 155 of 1972) for the purpose appearing.

Now, therefore, in pursuance of the proclamation of the 24th March, 1982, and in exercise of all powers enabling him in that behalf the President is pleased to make and promulgate the following ordinance namely:

1. Short title—this ordinance may be called the Representation of the People (fifth amendment) Ordinance, 1986.

2. Amendment of article 12 P O No 155 of 1972 in the Representation of the People Order 1972 (P.O. No 155 of 1972), in article 12 in clause (1), in the proviso, after clause (A) the following new clause shall be inserted namely, (AA) is a chairman of a upazila parishad elected under the Local Government (Upazila Parishad and Upazila Administration Reorganisation) Ordinance 1982 (Ord LIX of 1982) hereinafter in this clause referred to as the said ordinance:

Provided that no election of such person as a Member of Parliament in the general election held before the commencement of the Representation of the People (fifth amendment) Ordinance, 1986 (XXXV of 1986) shall be deemed to be invalid on the ground merely that he was holding the office of such chairman at the time of such election, and such person shall be qualified for being such member on his ceasing to be chairman under the said ordinance.

BANGLADESH

BNP PROTESTS GOVERNMENT CONTROL OF PRESS

Dhaka THE BANGLADESH OBSERVER in English 31 May 86 p 8

[Text]

BNP chief and Seven-party alliance leader Begum Khaleda Zia has said that the Government has once again nakedly exposed its policy to curb freedom of the Press by stopping advertisements to national dailies-The Bangladesh Observer, The New Nation, Khabar Bangla, Bani Sangram and Sangbad, says a Press release.

In a statement issued on Thursday she said that the Government decision to deprive these newspapers of Government advertisements was a gross violation of all policies relating to the distribution of advertisements.

She said freedom of the Press was one of the preconditions of democracy and added that the Government was giving lip-service to establishment of democracy on the one hand and on the other, continuing with its efforts to curb freedom of the Press.

Protesting against the restriction on distribution of advertisements among the privately owned newspapers she said that the Martial Law on the whole

had denied Press freedom. Besides frequent imposition of restrictions on publication of political reports were being resorted to for stifling the newspapers further.

She further said that in addition to these measures the Government had been using the advertisement as instrument to control the print media.

Denouncing the Government for stopping advertisement to the above-mentioned newspapers she said that advertisement was a source of income for the newspapers and in this country the lion's share of advertisements issued by nationalised industries, banks, insurances and corporations was under control of the Ministry of Information for ensuring official control over the newspapers.

Begum Khaleda demanded immediate withdrawal of restriction on giving advertisements to a number of privately-owned newspapers.

/12828

CSO: 4600/1892

BANGLADESH

ALLIANCES SCORE ACTIONS OF EIGHT-PARTY GROUP

Dhaka THE NEW NATION in English 24 May 86 pp 1, 8

[Text]

The Seven-Party and the Five-Party alliance supporters of Sramik Karmachari Olkya Parishad (SKOP), yesterday blasted the pro-Eight-Party alliance faction of SKOP, for what they called sliding out of the movement's track, "because they did not want to spoil their secret deal with the government".

The allegation came at a convention of the SKOP faction supporting seven-party Alliance and the Five-party combine at DDSA auditorium yesterday.

In a written statement read out by Golam Mohiuddin General Secretary of Bangladesh Sramik Federation, the SKOP faction explained in depth the split in 16-group workers and trade union conglomerate over carrying out their own five-point movement of the seven-party and the 15-party alliances. Out of the 16, the faction claimed, 11 sided with it.

It said that decision of the Eight-Party Alliance to crack the coordinated movement and three and half-a-year-old alliance between 22-parties and to join the parliamentary polls sacrificing the five-point demand had not only one damaged the national movement but also jolted the SKOP's own movement.

To avoid any movement they did not turn up at the scheduled meetings of the SKOP in March after they decided to join the polls. Even they did not participate in the May Day rally with us. Their rally was publicised in the television and our rally was attacked by police who arrested and wounded a number of us it further alleged.

Reiterating that the movement for realisation of SKOP's five-point demand, would continue the convention adopted a number of resolutions.

Among others it urged the government to immediately implement the accord with the SKOP announce minimum wage in all industries including those of the private sector, stop denationalisation of bank, insurance, power, NADC, Railway and other concerns, restore retrenched employees, jobs in banks, BTMC and other concerns and allow employees of Uttara bank to join their jobs per directive of the court remove discrepancies in Pay and Wages Commission report check price hike and supply fair price items release trade union and student leaders and other political prisoners including Tipu Biswas, withdraw martial law and accept the SKOP's five-point demand.

Presided over by Jatiyatabadi Sramik Dal President Iskendar Ali, the convention also decided to carry out a mass-contact week in support of its movement from June 20 and hold a national convention in Dhaka on July 4 which will announce the next course of direct action programme.

Among others, it was addressed by Pratabuddin Ahmed, General Secretary of Trad Union Sangha, Mukhlesur Rahman, President of Bangladesh Sanjukt Sramik Federation, Mahmudur Rahman Mana convenor of Samajtantrik Sramik Federation, Nurul Anwar, General Secretary of Jatiya Sramik Federation, Mushtaque Ahmed, general secretary, of Samajtantrik Sramik Front, Belayet Hossain Majumder Joint-Secretary of

Jatiya Sramik Federation, A. Mannan Siddiky, president of Bangladesh Jatiya Sramik Federation, and Abdul Quader, joint-Secretary of Jatiya Sramik Jote. Leader from 29 craft federation and national unions took part in discussions.

SKOP PRO-EIGHT PARTY

Meanwhile, in a joint statement yesterday 13 leaders of the pro-eight-Party SKOP expressed their surprise over holding of a convention in the name of SKOP. They said that the SKOP did not convene such a meeting and regretted that some of the components of the SKOP had continue their efforts to harm the unity of the conglomerate. They urged the organisations concerned to keep they termed controversial political issues and carry forward the movement of the workers through an active programme preserving the unity of the SKOP.

The statement was issued by Mohammad Toaha, Shah Mohammad Abu Zafar, Fazlul Huq Mantu, Dinen Sen, Yakub Ali Bhuiya, Choudhury Harunur Rashid, Saiful Ahmen Manik, Nasim Ali Jinnat Ali Choudhury Momtajuddin Mssbahuddin Ahmed Rahmat Ullah Choudhury and Habibur Rahman Siraj

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CSO: 4600/1881

BANGLADESH

HASINA ADDRESSES AWAMI LEAGUE WORKING COMMITTEE

Dhaka THE NEW NATION in English 25 May 86 pp 1, 8

[Text]

The working committee of the Awami League began evaluating the May 7 poll and its extended session yesterday amidst demands by party's defeated stalwarts not to join the parliament when it is summoned by the President in early July.

But Awami League chief Sheikh Hasina, inaugurating the meeting at Dhaka District Sports Association auditorium (DDSA) watered down the boycottists, calling upon all to use whatever victory we have achieved to establish rights of the people and to bring an end to martial law.

Sheikh Hasina said the "election has unmasked the government, our participation has removed the confusion created by President Ershad that we have no roots among the people."

She further observed that despite manipulations and media coup to tailor the election results in favour of the Jatiya Party (JP), Awami League had swept the polls. Only a section of 'dacoits robbed away the results.'

Sheikh Hasina claimed that "despite the terror faced by our workers, we received the mandate that we wanted to get from the people. Awami League is the only party which is capable of establishing fundamental rights of the people and democracy. Now we have to consolidate the party, avoiding the controversial matters from discussion here, concentrating on how to achieve our desired goals."

Urging everyone to "avoid debating whether to go or not to go the to parliament, since President Ershad was yet to summon the parliament".

Sheikh Hasina further advised 'we should leave aside those issues might create confusion among the people.'

Thus she set the tone for the meeting echoing the resentment of those who lost and at the same time urging all to consolidate the party's biggest electoral gain in post 1975 period.

Presided over by Sheikh Hasina, [the first days session was adjourned till this evening. The party leaders from the grassroots level were seated at an after party at the premises of the DDSA auditorium later.

About 75 leaders from Chittagong and Khulna divisions had participated in the debates which was held in close-door after Sheikh Hasina finished her seventy-minute speech at 11-40 a.m.

Party insiders said that there had been mixed opinion about joining the parliament. Among the leaders from Chittagong, the stalwarts of Chittagong city committee were against joining the parliament. But the party's district committee leaders opted for it.

After the leaders from Rajshahi and Dhaka divisions conclude their deliberations today, the extended meeting may recommend leaving the final decision on Sheikh Hasina over joining the parliament issue, it is gathered.

Sheikh-Hasina's emphasis on 'victory' and utilising it to bring an end to martial law, made it clear that her stand will prevail rank and file decision finally. This would happen even though pressure was mounted by the defeated stalwarts, notably Dr Kamal Hossain, member of the presidium and his colleague Adul Mannan, who played key

role in backstage manoeuvrings, to change the party stance from its three and half-a-year-old track of 'concerted movement' with seven-party alliance on five points that resurrected the party in the post-1975 situation basking in the biggest gain finishing second to JP with 75 seats in the May 7 polls.

Out of six presidium members, apart from Sheikh Hasina, only two, Abdul Malek Ukil and Zillur Rahman won the elections but Dr Kamal Hossain, Abdul Mannan and Abdus Samad Azad had been defeated—Dr Kamal in two and Abdus Samad Azad in three constituencies. The other presidium member, Zohra Tajuddin, did not contest the polls. Three joint-secretaries—Sajeda Chowdhury, holding the charge of acting General Secretary, Amir Hossain Amu and Salahuddin Yusuf had also lost.

The defeat of the stalwarts and the allegations that polls were 'tailored in favour of the JP led to pressure from them in favour of the boycottist line. Their spokesman Dr Kamal Hossain on Wednesday told a party rally at Cox's Bazar, where party activists were boiling over the defeat of their leader Mushtaque Ahmed Chowdhury following violence and allegations of rigging in the repolling that 'those who had won the elections by ballot dacoity, would not be allowed to go to the parliament. If they go, they will have to ride over our bloods', Dr Kamal warned.

Amidst such a situation, Sheikh Hasina made it rather clear that they should stay out of sowing confusions among the people. However, she echoed the party leaders allegations that there had been rigging

and manipulation in the elections to turn the tide in favour of the JP. She alleged that use of the "forces in the election to "manipulate the results as desired by President Ershad had lowered their image." She said that people did not vote for the JP and President Ershad therefore, he should resign. She said that her party, got the mandate from the people. If elections were held under a free and fair condition we would have won in at least 240 seats she added.

Turning to the 33 independent MP-elects Sheikh Hasina sounded a strong warning to them. We have heard that the government is bargaining with them. If they join the J.P, it would be considered as betrayal with the people'.

The Awami League chief urged the independents and the other opposition groups who captured 72 seats to unite against the government to bring an end to martial law.

"If needed we shall give election through which the people's government would be established. But we should not involve ourselves in debating the issue whether we should go to the parlia-

ment or not, since President Ershad is yet to summon the parliament", she said. "Days are not far off when martial law will come to an end, and peoples rule would be established. Who had won or who had lost is not important at this moment, we should forget all our differences to stride forward so that we could reach the fruits of independence to the people who are looking at the Awami League", she said.

Looking confident and relaxed, Sheikh Hasina also had a few words for the newspapers some of which according to her, were publishing 66 "confusing news". She urged them not to carry such news in national interest. She also condemned the banning of three weeklies and demanded allowing their republication.

Finally, turning to senior party leaders some of whom had remained faithful to her father's ideals during the 36 year long history of the organisation, Sheikh Hasina said: I need your blessing and cooperation, you have brought me here, now I want it to carry out my duties to establish the rights of the people.

/12828

CSO: 4600/1882

BANGLADESH

AWAMI LEAGUE MEETING ENUMERATES NEW DEMANDS

Dhaka THE NEW NATION in English 31 May 86 pp 1, 8

[Text]

The Working Committee of the Awami League concluded the seven-day autopsy of the May 7 parliamentary polls yesterday demanding withdrawal of martial law and resignation of President.

The meeting failed to come up with any specific resolution regarding the issue of joining the parliament when it is summoned sometime in early July.

Despite clear indications by party chief Sheikh Hasina during her opening and concluding remarks at the meeting to join the parliament by consolidating and utilising the victory at the polls to end martial law and establish democracy, the resolutions of the meeting kept it under suspension.

Although the meeting spoke about the movement it did not specify any programme in this regard. The demands it made appeared more like consoling the defeated party stalwarts who stressed the need for carrying out movement and stay out of the parliament.

Presided over by Sheikh Hasina the meeting put up seven demands including the lifting of martial law, resignation of President Ershad, restoration of a complete democratic system and declaring those whose victory was robbed as elected to the parliament.

It observed that unless such demands were accepted immediately the party was determined to continue its movement. "So long the rights of the people are established and a democratic and exploitation free

society as envisioned by Bangabandhu, is established the Awami League will continue its struggle, no power can suppress it", said a declaration adopted at the meeting.

Out of 39 members of the Working Committee, 37 attended the final session which began its full meeting on Thursday after five-days of extended meeting.

A party press release containing the political resolutions said that the Awami League working committee took its decisions in the light of the discussions and recommendations forwarded by the extended session. The committee had extensively discussed the elections and its aftermath, the political crisis prevailing in the country, and the future course of movement, it added.

Referring to what it said President Ershad's post-election remarks about withdrawal of martial law if parliament fails to ratify his four years of rule, the meeting observed that "all these and formation of the council of ministers bypassing the parliament have deeply concerned everyone". It further observed that "he is trying to force the people into an undesirable situation knowing it fully that martial law and constitutional parliament cannot stay side by side".

The press release said, after reviewing the polls the meeting put forward the following demands:

—Repolling should be held in those centres where results were turned otherwise after the voters were prevented from exercising their franchise through ballot dacoity, terror and intervention of the forces so that the real representatives of the people could sit in the parliament.

—Recounting of ballots should be held in those areas where results were tailored through 'media coup' after keeping those suspended and the candidates who obtained the actual votes should be declared elected.

—Candidates who were robbed of their victory during repolling in those centres where polls were suspended due to killing, terror and vote dacoity must be declared elected.

—The poll results as regards those upazila chairmen who used all the administrative machinery to win the polls should be cancelled and their immediate rivals should be declared elected.

—Those persons declared elected through ballot dacoity and media coup have no right to sit in the parliament and represent the nation undermining the peoples clear mandate,

—President Ershad must resign from all his posts as he has failed to keep his pledge and also because the people have given a clear mandate against martial law in the elections.

—Martial law should be lifted without delay and the armed forces should be back to the barracks.

In a lengthy review, the meeting analysed the post-1975 situation and the recent election.

It declared that so long the demands were not accepted, the Awami League was determined to continue its movement. To carry forward the movement, the party leaders will visit different districts from June 18 till June 24 and participate in different programmes arranged locally, it said.

BANGLADESH

ENA TOLD OF FACTIONAL FEUDS IN AWAMI LEAGUE

Dhaka THE NEW NATION in English 16 Jun 86 pp 1, 8

[Text] The country's leading opposition party, Awami League is reportedly fast getting bogged down into deeper crisis partly due to its sheer inability to comprehend the enormity of the problem facing it and partly due to its lack of firmness to grapple with the crises.

A well-informed source told ENA, instead of applying its mind to vital problems, the aparty leadership is currently busy dabbling in factional feuds and recriminations. Following its electoral debacle, the top brass of the party now stands sharply divided over the question of its participation in the newly elected parliament.

An Awami League insider confided the organisation has of late turned politically indecisive mainly due to personality clashes between the party stalwarts who have lost and won the bns and hence it is unable to formulate its basic approach to the ensuing Parliament session and how it can brace unto it and face the unresolved issues that will come up before the Parliament.

At this critical juncture when they are required to fully engage themselves in resolving vital political issues their party bosses seek to evade them and quietly slip out of the country to perform Eid in sweet salubrious climate of Nainital. Another bigwig left their constituencies to the lurch to relax and vacation in the cosy comforts of London, Fiji and New York.

A source close to the Government said these leaders who periodically shed crocodile tears for the miserable plight of the people and their democratic rights have hardly any commitment to the country, people and their democratic institutions.

Commenting on the voltefaces of these leaders a source close to the government said they do not practice what they publicly profess. They cry from the roof-top over the unfortunate state of affairs in our educational institutions and spill tears over the plight of the teaching community. But, in fact, they have no faith in the country's education system and the teaching community. That is why they send their children to expensive schools abroad for their education. Likewise, they care a fig for the countrys doctors and hence they go to London for operation and medical check-ups. These great

democrats, who do not practise democracy in their own organisation, have no faith even in their own judiciary. This is demonstrated by the fact that they set up judicial commission to prove any murder case. They also betray their lack of confidence in their own election commission and hence invite so-called observer teams to oversee election. By inviting such a team during the last parliamentary polls they have not only cast aspersion on the Election Commission which is an independent constitutional body but also insulted the whole nation. This was also condemned by the international media.

/12828

CSO: 4600/1902

1 August 1986

BANGLADESH

JUTE INDUSTRY SAID TO FACE CRIPPLING LOSSES

Dhaka THE NEW NATION in English 19 May 86 pp 1, 8

[Text]

The jute industry which sustained a loss of Tk 235 crore last year is heading for a similar loss this year crippling the industry.

The loss was estimated at Tk 161 crore during the nine months upto March and the prospect for the last quarter of current fiscal year was no better.

A number of mills were laid off due to liquidity crisis while most of the mills in Chittagong region stopped operation for lack of power supply.

The loss in government held mills was heavier than those under the private sector. The public sector comprising 60 per cent of the industry incurred a loss of Tk 150 crore in 1984-85 and Tk 114 crore in nine months up to March this year.

The private mills estimated the loss at Tk 85 crore last fiscal year and Tk 47 crore till March this year.

The owners claimed that the loss in their mills was comparatively lower, to the extent of Tk 66 crore, which could be taken as net gain of denationalisation.

The reasons for such huge loss were attributed to fall in prices of jute goods in the international market and higher production cost from wage hike, increase in power tariff and frequent power

failures.

When the industry was passing through acute crisis the Development Financing Institutions (DFIs) who were the co-sponsors in setting up the jute mills were haggling for realising the loans.

Atiar Rahman committee set up by the government few months ago to look into the problems of the industry has raised some pertinent questions.

The committee observed that right from 1972 onwards the health of the jute industry has not been restored and posed a question what steps BSB and BSRS as co-sponsors of jute mills have taken to restore the health of the industry.

Have BSB and BSRS ever tried to find out why the mills are running uneconomically and have they ever suggested any steps to government for improvement of cash flow positions of these mills by increase in the subsidy the committee further questioned the DFIs.

The committee found that some projects were sanctioned by the DFIs without a market survey which was unusual for loan giving agencies. It sought explanation from the DFIs for such unusual action and wanted to know what steps DFIs have taken to improve things once they found that those projects were functioning badly.

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CSO: 4600/1878

1 August 1986

BANGLADESH

DROUGHT NAMED CAUSE OF FALL IN TEA PRODUCTION

Dhaka THE NEW NATION in English 23 May 86 pp 1, 8

[Text]

CHITTAGONG, May 22: Tea production in the country during the first four months of this calendar year has recorded a sharp fall compared to that last year.

A total of 19 lakh 49 thousand kilograms of tea was produced during the period January to April, '86 as against 44 lakh 60 thousand kgs during the corresponding period of last year.

According to an expert, drought was the main cause behind this production fall. The slight rainfall in last part of March however, helped formation of tea leaf in April in tea gardens. The expert, however, expressed optimism that the shortfall might be overcome if the delayed monsoon continued longer than the stipulated period.

Meanwhile, 2 crore 88 lakh 60 thousand kgs of tea was exported during the first ten months of the current fiscal year 1985-86. The export in the first ten months of 1984-85 was 2 crore 30 lakh Kgs. But the fall of tea price in international market gave a bad return to Bangladesh. By exporting tea during the first ten months of the current fiscal year, Taka 94 crore 30 lakh was earned. The earning was Taka 141 crore 44 lakh in the corres-

ponding period of last fiscal year.

According to a competent source, the increased export of Bangladesh tea in exchange of less return aimed at keeping our tea in competitive markets. He said Bangladesh tea was falling in export competition due to shortage of container vessels. Pakistan which favours tea import through container ships was now preferring tea from Kenya where price was higher than in Bangladesh, the sources noted. Kenya, Indonesia, China, and Sri Lanka, despatch tea to Pakistan by container ships while Bangladesh has been failing to do this due to container vessel shortage. Pakistan, however, still remained one of the main buyers of Bangladesh tea. Shipping restrictions on BSC was the reason for the problem of container service to Pakistan.

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CSO: 4600/1880

BANGLADESH

BRIEFS

WORKERS PARTY MEETING--The Workers Party of Bangladesh in a meeting on Sunday said that the parties which joined the election on the basis of 'a secret alliance' were having 'secret sittings' with the government to legalise the activities of the government in the name of consolidation of victory. The meeting reviewed the situation following the parliamentary polls on May 7 last. Mr. Rashed Khan Menon addressing the meeting of the city committee said that those who won the elections did so on the basis of a blue print. The free use of weapons has 'made the members of law enforcing agencies virtually ineffective' he observed. The situation would further deteriorate after the Sangsad session he apprehended. The meeting was presided over by Mr. Abu Taher Bakul. Mr Menon called upon the people to emancipate the people from the ballot dacoits and their collaborators. [Text][Dhaka THE BANGLADESH OBSERVER in English 26 May 86 p 1]/12828

HEALTH MINISTRY CHIEF--President Hussain Mohammad Ershad has given the responsibility of the Ministry of Health and Family Planning to Dr M A Matin in addition to his charge of education, reports BSS. A government handout said the the order would come into force at once. [Text][Dhaka THE BANGLADESH OBSERVER in English 30 May 86 p 1]/12828

COMMUNIST PARTY APPEAL--Communist Party of Bangladesh (CPB) has called upon the people to come forward unitedly for bringing an end to the military rule in the country considering it as their "immediate political responsibility." Expressing grave concern and strong resentment over the induction of former ministers into the cabinet, the central committee of CPB said yesterday that moves were underway to continue martial law further for "special purpose" even after the election. The central committee which met yesterday to review the post-poll situation said attempt was also being made to cling to power at any cost foiling the verdict of the people. The committee said the people would not accept continuation of martial law as they did not in the past. The meeting felt that the immediate political responsibility was to uphold people's verdict against the military rule and resist what it called conspiracies to prolong martial law, and said induction of former ministers into the cabinet showed disregard to the constitution of the country. The central committee demanded re-election in those constituencies where there were rigging and ballot dacoity. It further demanded that those candidates who were shown defeated through what it called media coup be declared elected. [Text][Dhaka THE NEW NATION in English 27 May 86 pp 1, 8]/12828

1 August 1986

STATEMENT ON AFRICA--Bangladesh has urged the international community to come forward to assist Africa in its determined struggle to bring the continent back on the road to durable and sustained development, according to a message received in Dhaka yesterday, reports BSS. Mr Justice B A Siddiky, Permanent Representative of Bangladesh to the United Nations in a statement on the economic situation in Africa at the special **session** of the UN General Assembly attributed the cause of the economic crisis in Africa to convergence of a number of unfortunate factors, some natural and others manmade. The Bangladesh representative said that the crisis in Africa was indeed an extension of crisis faced by the developing countries as a whole. He added that the need for Africa to receive focussed attention of the international community must be acknowledged in the perspective of the overall development of the developing countries. Mr Justice Siddiky said that for the unimpeded development and progress of the countries in Africa, nothing was more important than a favourable international climate based on the spirit of interdependence and mutual respect and free from menace of apartheid. [Text][Dhaka THE NEW NATION in English 31 May 86 pp 1, 8]/12828

CSO: 4600/1894

INDIA

VISITING NOVOSTI ANALYST HOLDS PRESS CONFERENCE

Chernobyl, Other Matters

Calcutta THE TELEGRAPH in English 18 Jun 86 p 4

[Text]

Calcutta, June 17: The situation at Chernobyl in the Soviet Union, site of the world's worst nuclear accident, was still "tense" and military teams were trying to clean the area, Mr E. Riabcev, political analyst of Novosti Press Agency, told newsmen here today. The plant had not yet been opened to foreign experts, but some evacuated residents of the town were coming back, he added.

Addressing a crowded press conference here, Mr Riabcev said the temperature of the reactor core was decreasing steadily and different kinds of freezing equipment were being used to neutralise radiation effects. The Soviet Union was preparing detailed reports on the incident for the International Atomic Energy Agency, he added.

Mr Riabcev denied that Soviet foreign policy had suffered any setback due to the delay in disseminating information on the incident. He also said that the personnel at the plant "themselves did not understand the magnitude" of the accident. He said most of the 25 people who died were firemen who fought the blaze at the reactor. The body of one plant worker was never found. There was some delay in conveying information to the local government and the Supreme Soviet, and subsequently the Soviet media published all the details, Mr Riabcev explained.

Mr Riabcev said steps were being taken on a war footing to

guarantee the complete safety of all 40 atomic plants in the Soviet Union. He said there had been no radiation in waters around Chernobyl, in spite of the presence of a number of streams in the area.

Sino-Soviet relations: Mr Riabcev said the Soviet people still considered the Chinese as "brothers" and added that relations between the two countries were "slowly, but steadily improving." There had been a lot of exchange visits recently, he said. Mr E.P. Petrunin, Soviet vice-consul in Calcutta, who was also present, said Chinese people were now participating in Soviet television programmes.

Mr Riabcev said Soviet political observers believed that the United States was trying to destabilise the situation in Pakistan, Sri Lanka and Bangladesh. He feared that Sri Lanka would "become another Lebanon with continuing civil war" if the tensions there were not defused now.

South Africa: Mr Riabcev said the Soviet Union was extending "moral and political support" to the African National Congress. Asked if his country had any "clandestine" economic relations with South Africa, Mr Riabcev said: "We do not have any kind of trade relations. It might happen that the South Africa buys Soviet goods through intermediary countries giving rise to such speculation."

Asked about the Soviet reaction to the recent sinking of two

Soviet ships by South Africa off the Angolan coast, Mr Riabcev said: "Politically, two ships mean nothing to us. And we cannot react like the Americans do. We believe in ventilating our views on the matter in the United Nations Security Council."

Referring to the American presence in Nicaragua, Mr Riabcev said US designs of a "Vietnam in Nicaragua" would have "dangerous implications".

Sino-Indian Border Dispute

Calcutta THE STATESMAN in English 18 Jun 86 p 12

[Text]

THE Soviet Union is ready to mediate in the border dispute between India and China, Mr. E. Rjavcev, political analyst of Novosti Press Agency, said in Calcutta on Tuesday. The Soviets appreciated the Indian argument and felt it was valid from the geographical and historical points of view.

Mr. Rjavcev did not think the improvement in relations between the USSR and China would affect Indo-Soviet ties in any way. The aim of the Soviet Union was to improve relations between India and China, he said.

The relations between the Soviet Union and the Chinese were being developed at two levels, he said. At the official level, the development was "slow, but definite". But the relationship was growing fast at the other level. There were student exchanges and trade and cultural missions.

The Soviet Union attached much importance to its relation with India, as it was the leader of the Non-Aligned Movement and could make an impact on the stability in Asia, he said. He felt the USA was trying to destabilize the smaller countries around India.

Referring to the accident at the nuclear power plant at Chernobyl, he said the Soviet television supplied information daily about the situation at the plant. Steps were being taken to cool down the reactor core and stop radioactivity from spreading. An analysis had shown that water in the vicinity had not been affected by radiation, he added.

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CSO: 4600/1860

INDIA

PLANS FOR PURCHASE OF JET TRAINER BEING FINALIZED

Calcutta THE STATESMAN in English 23 Jun 86 p 1

[Text] India is finalizing a deal for the purchase of the most modern jet trainer aircraft for the Indian Air Force, reports UNI.

A high-level Defence delegation recently visited France and Britain for the purpose.

When the deal goes through "sufficient" number of such aircraft will be purchased outright in fly-away condition and substantial numbers will be assembled and manufactured at the Hindustan Aeronautics Limited under licence.

In France, the team evaluated the Alpha jet and studied its manoeuvring capacity, operational flexibility and efficiency.

In Britain, the Defence team evaluated the British Aerospace Hawk-200 which can also be deployed as a combat aircraft. Equipped with advanced avionics, the single-seat Hawk-200 can carry out anti-shipping strikes with the Sea Eagle sea-skimming missile at a radius of up to 800 nautical miles.

The Hawk-200 is armed with medium or short-range air-to-air missiles and built-in cannon and can deliver warloads with great accuracy.

The India built advanced jet trainer Ajeet, is not considered the right aircraft for preparing future jet pilots, for high-performance aircraft such as the Mig-23, Mig-27, the Jaguar and Mirage-2000, experts say.

The IAF fixed an air staff target in 1981, when a detailed feasibility study was prepared. It was suggested to update the India built jet trainer, Kiran Mark II.

The report proposed that the new advanced jet trainer could be fitted with an Adour engine built by HAL, which had the latest know-how of the Jaguar aircraft.

Experts can that this cost-effective aircraft could be indigenously developed and later used as a top-class-support plane by using the GTX engine being developed at the Gas Turbine Research Establishment.

The AST was later cancelled and it was stated that the Kiran II could do the job. The detailed feasibility study was shelved.

Experts say that if the feasibility study was not shelved, India could have produced a jet trainer with an investment of about Rs 100 crores and this could have been developed into a cost-effective operational light combat aircraft. They have also questioned the move to cancel the indigenous manufacture programme and the decision to go in for the import of costly trainers.

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CSO: 4600/1868

INDIA

MISTRUST MARKS U.S. OFFER OF MILITARY TECHNOLOGY

Bombay THE TIMES OF INDIA in English 23 Jun 86 p 1

[Article by J. N. Parimoo]

[Text] Persisting mutual suspicion between India and the U.S. has cast its shadow on the transfer of American military technology to India.

The latest Pentagon report on technology transfer to India does not clear all that India had sought from the U.S. According to one senior official involved in the negotiations, "in some things it is a qualified yes and in others a qualified no."

A Pentagon team, headed by Mr. Talbot Lindstrom, visited India late last year to explore the scope and nature of the defence technology requirements of the country. Two areas had been specified: development of a light combat aircraft (LCA) and modernisation of the Vijayanta tank. Co-production was envisaged in both the areas.

It is believed that during its visit, the Pentagon team felt "a strange lack of warmth" in India. According to a U.S. source, the team came back with insufficient details because it did not receive appropriate answers to a large number of questions. The first recommendations of the team, according to this source, were rather negative and were "much too general," but the timely intervention of the defence under secretary, Mr. Fred Ikle, and possibly also from the White House led to a revision of the original report.

The revised report seems to American observers to be more positive and it seems to them to have recommended technologies higher than they had expected after meeting the members of the Pentagon team on their return from India.

Two weeks ago, the Pentagon team's report was sent by the U.S. state department to the government of India. To Indian observers the report does not seem to go far enough.

Commented one Indian diplomat: "How can one trust them when they are so unwilling. Presidents come and go. It is the hard-core bureaucracy that lies behind long-term policies. How can you keep on pushing them and pressuring them? How can one trust them to go all the way in a ten or 15-year collaboration?"

Doubts, therefore, persist on either side. There are those in Washington--in the state department and the Pentagon--who believe India is not dependable and that the risks of a retransfer of sensitive technology are real. They would rather begin with lower technologies and not transfer to India the technologies they have not sent outside the NATO.

On the other side, there are people in Delhi who think that the U.S. with its increasingly close military relations with Pakistan, cannot be trusted as a reliable source for continued supplies of arms and arms-related technologies.

These doubts and suspicions are also, it is learnt, reflected in the Pentagon team's report. Americans feel that India is not taking them into confidence about the role that they expect the proposed LCA to play. They want to know the "exact mission" of the plane, its turn-around radius, its take-off thrust and angle and its interdiction role. Why don't the Indians give these details, they ask.

There are two views here on this. Those who are sympathetic towards India like to believe that Indian aeronautics design experts have not gone far enough yet to have the type of details that the Americans have been seeking. But there are others who suspect that the Indians do not trust Americans and that they are, therefore, withholding information.

"The problem is that India is not seeking planes or weapons. It is seeking technologies for co-operation. And some of these technologies are of levels higher than those sent ever before outside NATO", one American source says.

According to an expert assessment, the technologies that India is seeking are higher than those of the 40 F-16s that the U.S. gave to Pakistan. The technology that India is seeking is equivalent to that of the F-16C, which is an upgraded version of the F-16A. The U.S. air force is now buying this upgraded version from General Dynamics.

More than three months ago, the vice-president of General Dynamics told the Senate foreign relations committee that their F-16C was equivalent in technology sophistication to the F-20 of Northrop. It is this F-20 technology that India wants to incorporate in the proposed LCA.

India is not the only country that wants to make a military plane of its own. China has plans to make one, but the Chinese plane is going to be a heavy one and it is going to have only a defensive role. Pakistan has plans to seek U.S. collaboration to mount the latest F-16 technologies on the outdated Chinese F-7. France and Britain are going to fly their LCA in September this year and Brazil and Italy have plans to collaborate in making an LCA of their own. Like India, these two countries also want to start from the design stage.

Apart from the fact that there is a worldwide trend to make LCA, India has an additional compelling reason: in another five to seven years, more than 400, India military planes would have to be replaced because of obsolescence. These include the Jeets, Ginats and old MiG-21s.

To produce the new plane by the middle of the next decade, India will have to cut the delays that have bedevilled the LCA project. What is more, it will have to allocate substantial resources which is so vital to the country's defence needs.

/12828

CSO: 4600/1867

INDIA

CORRESPONDENT REPORTS ON U.S. ARMS SALES TO PAKISTAN

Bombay THE TIMES OF INDIA in English 19 Jun 86 p 1

[Text]

WASHINGTON, June 18.

THE United States has decided to supply Pakistan with the laser-guided anti-tank weapon called Copperhead. The supplies will be made as part of the current \$3.2 billion aid programme.

The Pentagon has decided to keep the supply of Copperhead projectiles to Pakistan below the ceiling of \$14 million. If sales of a weapons system or munitions exceed that limit the Pentagon has to seek the approval of Congress, where it might face opposition.

Since the total sale of Copperhead weapons would involve less than \$14 million, the Pentagon has made no notification to Congress.

Copperhead is a precision-guided weapon that has dramatically increased the "single-shot kill" prob-

ability of the U.S. field artillery. Pentagon documents boast of Copperhead as "a successful product of munitions research and development."

Prior to the advent of Copperhead, a field artillery man faced the statistical probability of wearing out his gun tube before hitting a moving tank. But the Copperhead, which is a 155 millimetre laser-guided Howitzer projectile, has changed those odds dramatically.

The Copperhead is the only deployed field artillery munition that has the ability to yield a high probability first-round kill against moving hard point targets, like tanks.

A Copperhead can hit a moving target at a range of 16 km with a very high probability of destroying it in a single shot. It is fired from a 155 mm Howitzer. It uses a built in semi-active laser seeker which gives it very high accuracy.

After it is fired and as it descends towards the intended target its laser seeker searches for and acquires the

reflections of a laser beam and this beam can be projected on to the target in a variety of ways.

Copperheads have been in production since 1981 and by the U.S. fiscal year 1985 nearly 16,000 of them had been produced. According to one estimate, the Copperhead has demonstrated more than 80 per cent reliability at tests.

Pakistan is perhaps the first country outside NATO to which the U.S. has supplied this weapon.

Outlining the objectives of military aid, a Pentagon document says the U.S. proposes to continue modernisation of Pakistan's armed forces "in air defence firepower, mobility, anti-armour and sea defence."

It also proposes to improve Pakistan's readiness through a "broad range of operational, technical and professional military training." In the next U.S. fiscal year (1987) the U.S. proposes to supply to Pakistan radars, ground-to-air missiles, artillery and counter-battery radars, and light helicopters. In addition, it proposes to upgrade Pakistan's tanks and strengthen its sea defences by supplying surveillance aircrafts and anti-submarine capabilities.

In addition to the continued military-cum-economic aid that Pakistan has been getting from the U.S., the Zia government is also receiving considerable supplies of modern weapons through a back channel. There is a general belief here that the major part of the arms and ammunition supplies meant for Afghan insurgents are routed by Pakistan.

It is reliably learnt here that a group of Afghan insurgent leaders who are currently on a visit to Washington complained that the U.S. arms supplies were getting diverted. One of the Afghan rebel leaders is believed to have complained that the Stinger missiles sent to Pakistan for Afghan insurgents never reached them.

INDIA

REPORTER SAYS SAARC PLANS NOT FULFILLED

Bombay THE TIMES OF INDIA in English 21 Jun 86 p 9

[Text]

NEW DELHI, June 20.

THE euphoria generated by the first successful summit of the seven South Asian nations has not been sustained through any co-operative ventures in the nine identified areas.

A further delay is feared in launching these projects.

Changes in the political environment of the region since the Dhaka summit six months ago will further test the spirit of the newly-lunched South Asian Association for Regional Co-operation (SAARC).

The reduced activity related to SAARC can be partly attributed to the pre-occupation of the Bangladesh president, Gen. Ershad, with domestic political developments.

The council of ministers has not met since the summit, even though it is supposed to meet twice a year. Gen. Ershad, who hosted the last summit, has just postponed his visit to India.

The proposal for a permanent secretariat is yet to be studied by an expert group and the meeting on drug trafficking has been delayed.

A report on tackling terrorism is ready but no headway has been made

by any of the technical committees and no major project of common interest has been launched. The region as a whole stands to reap immense benefits from collaborative ventures in areas such as telecommunications and meteorology.

What the seven nations were able to do since the summit was to issue a joint declaration on the inequities of the world economic order after a ministerial meeting in Islamabad.

Other conferences and seminars were also organised, mostly by India, on subjects ranging from women's role to archaeology and civil services reforms to satellite communications.

Inadequate preparatory work may lessen the activity of the second summit in November, for which India has just selected Bangalore to be the venue. The seven South Asian leaders will stay at Windsor Manor and hold their deliberations at the ITDC Hotel Ashok.

It remains to be seen whether at least one or two major collaborative ventures are launched before the Bangalore summit. The proposal for a regional centre for meteorology reached an advanced stage but after India's offer to host it, Bangladesh also showed

interest in its location.

India is relatively advanced in fields such as weather research and telecommunications and its services are in great demand in other developing countries which have to spend much more to get training facilities and equipment from advanced countries.

India gets the weather data from its domestic satellite systems with adequate coverage but for some reasons it does not go all out to offer it to the neighbouring countries.

SAARC has received offers of assistance from the EEC, the Asian Development Bank and countries including Japan. However, some experts feel that excessive reliance on external aid will negate the very concept of mobilisation of resources from within the region.

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CSO: 4600/1865

INDIA

REPORTAGE ON OUTCOME OF PARIS CONSORTIUM MEETING

Finance Minister Meets Press

Bombay THE TIMES OF INDIA in English 21 Jun 86 p 17

[Text]

NEW DELHI, June 20:

THE structural adjustment project lending programme of the World Bank does not apply to India because "we are not going to surrender our priorities to somebody else", the finance secretary, Mr. S. Venkitaramanan, told newsmen here yesterday.

Happy at the outcome of the Aid-India consortium meeting in Paris, Mr. Venkitaramanan, who had led the Indian delegation, categorically said at a news conference that the IBRD's loan commitment of U.S. \$ 2.5 billion contained no structural adjustment loans.

The policy-based lending of the World Bank was not applicable to India, he said.

The finance secretary took satisfaction out of the fact that the commitment of U.S. \$ 4.5 billion of concessional aid from consortium members was not only higher than for last year by half a billion dollars but also that the terms were also better.

BILATERAL DONORS

The total assistance from bilateral donors would go up from \$ 1,297 million to \$ 1,409 million. The average rate of interest, taking the concessional aid of \$ 4.5 billion of concessional aid as a whole, would work out to 3.5 to four per cent.

An encouraging feature, according to Mr. Venkitaramanan, is that most of the donor countries have stepped up the grant element of their aid to India. While the West German aid is almost on a grant basis, in the case of Japan and Canada the terms are more concessional.

Japan has also substantially stepped

up its aid from \$ 178 million to \$ 285 million. The increase was not only due to appreciation of the Japanese yen, but also because of the increased quantum of yen loans with repayment periods of 25 to 30 years.

The finance secretary said that some other sources like the Nordic Investment Bank would also give concessional aid to India.

The increase in consortium aid to India by about half a billion dollars this year is, however, mostly accounted for by loans from the Asian Development Bank.

The bank has been brought in for the first time and it would lend about \$ 400 million.

Mr. Venkitaramanan, in reply to a question, admitted that most of the aid would be tied. But he made the point, that since the financial packages of various projects would be fixed by the government, the aid in effect would be untied.

PROJECT COST

He said that after deciding on the cost of the project and equipment it was up to India to approach the donor countries to avail of the aid. It was because of this that aid commitments often were more than disbursements.

Mr. Venkitaramanan and the chief economic adviser, Dr. Jalan, allayed

undue apprehensions on the balance of payments front.

While the government was confident of managing it, all efforts would be made to substitute imports.

The import bill on account of edible oils, fertilisers, sugar and crude were expected to come down by about Rs. 2,000 crores this year, they said.

1 August 1986

'Dismal Aid Scenario' Seen

Bombay THE TIMES OF INDIA in English 21 Jun 86 p 8

[Editorial]

[Text]

The Aid India Consortium meeting in Paris has pledged \$ 4.5 billion in soft and not-so-soft loans to this country for the current financial year. While in nominal terms, this sum may seem 16 per cent higher than that pledged last year, in reality it represents an increase no larger than eight per cent in U.S. dollar terms, and of an even meaner 3.8 per cent, when measured in special drawing rights (SDRs) of the IMF. This small magnitude merely confirms the apprehension expressed recently by some economists, that a drop in the growth of multilateral aid, will not be adequately offset by increased bilateral assistance. Only two countries of the 13-member consortium, Japan and West Germany, have raised the volume of their loans — by \$ 152 million. Meanwhile the U.S. and the U.K. have both cut their aid. An even more distressing feature of the pledges this year is, of course, the drop in loans from the international development association (IDA), the soft-lending window of the World Bank group. IDA assistance, provided interest-free, but at a service charge of three-fourths of one per cent, has fallen to a mere \$ 600 million, about \$ 50 million less, than last year and over 40 per cent less than four years ago. This is only the beginning, however, of a phase of still lower and falling volumes of soft loans from IDA — a consequence of the stingy and inward-looking western economic policies encouraged by the Reagan administration.

It is a safe bet that so long as President Reagan rules in the White House, a dismal aid scenario and tighter terms for multilateral credit will remain facts of international life. It is just as certain that the World Bank will be under pressure to "graduate" India out of concessional credit. Already, this country's share of World Bank lending has dropped to under half its level 15 years ago. It can be expected to fall even further. All this is bound to raise the pressure for increased external commercial borrowing. Indeed, both the U.S. and the World Bank have let it be known, that they would like India to increase its commercial borrowing to as much as \$ five billion a year, from the current level of \$ 1 to 1.5 billion. But this country simply cannot afford to borrow much more, without running into serious debt repayment problems: already the debt servicing ratio (to export earnings) has risen by more than two percentage points, to over 15 per cent, in the last two years. In reality, it may be still higher if Rupee Trade exports are excluded. Then there remains the problem of finding matching rupee resources. A much wiser course would be to eliminate unnecessary or repetitive imports, and return to a tighter but more rational regime of foreign trade regulation. The alternative could be a bad debt trap.

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INDIA

DUTY CUTS TO PROTECT DOMESTIC INDUSTRIES ANNOUNCED

Bombay THE TIMES OF INDIA in English 21 Jun 86 p 1

[Text] New Delhi, June 20. The finance minister, Mr. V. P. Singh, today announced another package of excise and customs duty concessions. The air conditioning and refrigeration industry would be the major beneficiary.

Simultaneously, he announced a new rationalised duty drawback system which enhances the rates for a number of export items, while adding new items to the drawback list.

Making the announcement at a news conference, Mr. Singh said he was not concerned about the impact of the fresh concessions on the budget. He was confident of making it up, and the revenue collection would not be less than the budget estimate.

The duty concessions, according to present projections, envisage a loss of revenue of about Rs. 30 crores. The rationalised drawback system will cost the exchequer nearly Rs. 40 crores.

Stamp Duty Reduced

The package of duty concessions include an 80 per cent reduction in stamp duty for bills of exchange and promissory notes for securing finance from the Export-Import bank.

The finance minister said the duty had been lowered to bring down the cost of borrowing for export-import purposes.

He said the government had decided to give the excise and customs duty reliefs after considering the various issues raised by representatives of the trade and industry in open-house discussions with him.

This was the second set of reliefs announced since June 11, when the government came out with concessions to the electronics industry to the tune of Rs. 60 crores. He said he would continue with his "open house" discussions.

The finance minister said the excise duty on certain parts of refrigerating and air conditioning machinery would be brought down from 60 percent to 40

per cent ad valorem. As a result, the average effective rate of duty on various components going into refrigeration plants would be around 25 per cent.

The government has also decided to extend the duty exemption scheme for polyester staple fibre to the handloom sector. At present, the scheme was being availed of by the National Textile Corporation mills for producing low-priced fabrics. Now, handloom cooperatives will also be eligible for the exemption.

In the budget, an import duty concession was given to components on certain specified machinery--the concession being that the parts carry 15 per cent less duty than the finished machinery in which they were used. But this concession was restricted to components falling under chapters 84 and 85 of the customs tariff.

The government has now decided to extend the concession to all components of the specified machinery, irrespective of the heading in which the components fall.

For the benefit of students of astronomy and the public in general, equipment to be imported for the setting up of planetoria at Madras, Kerala, Trivandrum, Ahmedabad and Jaipur is being fully exempted from custom duties.

Exemption from the whole of basic, auxiliary and additional duties of customs is also being granted to a number of non-conventional energy equipment such as vacuum tube solar collectors, sterling engines and tins and tubes.

Concessional basic customs duty of 50 per cent which is applicable to imported cork wood and cork waste has been extended for the manufacture of hockey and cricket balls.

Similarly, reclaimed rubber will be exempted from excise duty if it is used in another factory of the manufacturer in the manufacture of exempted tyres such as cycle tyres.

Duty Drawbacks

The new duty drawback scheme has been formulated on the basis of the report of the high-level committee, headed by Mr. J. Dutta, chairman of the central board of excise and customs.

The revenue secretary, Mr. V. N. Pande, explained that certain thrust industries with substantial export potential have been allowed enhanced rates of drawback. Among these are leather, leather apparels, shoe uppers, woollen hand-made carpets, plastic articles, instant coffee, handloom fabrics, lead acid storage batteries and sports goods. The garment industry already enjoys a higher rate of drawback of ten per cent since March 1. The enhanced rates for the other industries vary between six and eight per cent.

The new drawback scheme, it is claimed, will also quicken up disbursement of drawback claims by customs houses in general. Among the new items for which all industry rates are being fixed for the first time are hukkah tobacco paste, household articles or plastics, imitation plastic jewellery, copper and brass utensils and some specified drugs.

INDIA

PLANNED JAPANESE ASSISTANCE DETAILED

Calcutta THE TELEGRAPH in English 19 Jun 86 p 6

[Text]

New Delhi, June 18 (PTI): Japan yesterday pledged to India ODA (official development assistance) loans amounting to 48,443 million yen (approximately Rs 370 crores) at the Aid-India Consortium meeting in Paris.

The loan advanced on concessional terms, would help finance among others the Hazira-Bijaipur gas pipeline project, the Aonla fertiliser plant and the modernisation project of Haldia port.

Two other projects, which would be financed by ODA are Telecommunications network Expansion Project (IX) and Teesta Canal hydroelectric project.

The pledged amount represents a growth of 23.5 per cent in terms of Japanese yen compared to last year.

The increase would work out to 80 per cent in terms of rupee if the appreciation of yen in terms of the US dollar is taken into account, a Japanese embassy release said.

The two sides will exchange notes on the ODA loan after detailed discussions.

The repayment period of the loan will be 20 years with a grace period of 10 years, while the rate of interest will be 3.25 per cent.

In regard to HBJ pipeline, the

ODA loan will finance part of the cost of procurement of line pipe and pipeline construction between Hazira and Bijaipur (630 km) out of the total length of 1,700 km.

The 18,904-million-yen loan is the third for the project following the first loan of 20,000 million yen of 1984 and the second loan of 15,800 million yen last year.

The ODA loan will finance the cost of equipment materials of ammonia and urea plants of the Aonla fertiliser factory.

The 5,839-million-yen loan is the third for the project following the first loan of 8,195 million yen for 1984 and 9,500 million yen last year.

This is the ninth in the series of ODA loans amounting to 55 billion yen to help improve the telecommunications sector in India.

The ODA loan will be utilised for procurement of electrical equipment and consulting services for the 67.5 mw hydroelectric power station of the Teesta Canal Hydro electric project and also finance part of the local cost of construction.

The ODA loan will also finance the foreign currency portion of the second oil jetty.

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CSO: 4600/1863

INDIA

NEWSMEN INTERVIEW DELEGATE TO SOUTH AFRICA MEET

New Delhi PATRIOT in English 21 Jun 86 p 7

[Text]

Paris, June 20 (AFP) — India will "keep its options open" on its Commonwealth membership should deep splits emerge within the organisation over the issue of imposing sanctions against South Africa, Indian Minister of State for External Affairs Eduardo Faleiro said here on Thursday.

Mr Faleiro, in an interview with Agence France-Presse during a five-day UN Conference on Economic Sanctions against South Africa, predicted that Britain would "find itself totally isolated" at a Commonwealth meeting in August if it refused to drop its stiff resistance to economic measures.

Mr Faleiro, who earlier this year accompanied Prime Minister Rajiv Gandhi on a visit to four "front-line" southern African states, said New Delhi "viewed with respect" Zambian President Kenneth Kaunda's threat to withdraw from the Commonwealth should it fail to adopt sanctions against Pretoria.

"India has not made any public statement on the matter", he said. "But if a growing body of enlightened public opinion asks the Government to keep its options open, we shall do so. It is not necessary to take a stand not to leave the Commonwealth".

Meanwhile, the World Conference on South Africa is expected to give a clarion call to all countries to shun relations with South Africa and give practical meanings to implementation of economic sanctions against the Pretoria regime.

The conference which is scheduled to conclude on Friday is expected to adopt the draft declaration urging participating countries to launch a programme of implementation of sanctions against South Africa as early as possible.

It has been discussing all aspects of the situation and has come to form the view that whatever was happening was the responsibility of the Pretoria regime, according to reliable sources.

It sent a special message to the United States and other veto power countries not to misuse the extraordinary power of veto in favour of the racist regime of South Africa.

Mr Faleiro had a series of meetings with foreign ministers and other representatives of non-aligned countries attending the

conference convened by the United Nations Special Committee on Apartheid.

Talking to PTI, Mr Faleiro said the outcome of the conference is likely to give a further boost to the report of the eminent persons group which had recommended that the imposition of economic sanctions against South Africa was essential to prevent a blood bath in that country.

While Australia, Sweden and some other European countries were working for securing an early imposition of sanctions, the United States and Britain took the first opportunity to use the veto in the UN despite the appeal by the conference being attended by about 70 countries.

INDIA

FOREIGN MINISTER SPEAKS TO INDIANS IN LONDON

New Delhi PATRIOT in English 23 Jun 86 p 7

[Text]

London, June 22 (PTI)— External Affairs Minister P Shiv Shankar said here today that the happenings in Punjab and Sri Lanka were clear indication that some external forces were bent upon destabilising the situation in the Indian region.

Addressing a meeting of the Indian residents at the High Commission, Mr Shiv Shankar said "we have documentary evidence to establish that what was being done in Punjab was at the behest of some of our neighbours and other external powers".

Referring to Sri Lanka, External Affairs Minister said that the supply of mercenaries, gunships and collusion between Pakistan and Israel, implied support of certain other powers, this was proof enough to show that all efforts were to see India under great strains and pressures.

All these forces, Mr Shiv Shankar noted, were not happy with India pursuing policies of non-alignment, self-reliance and economic independence.

Mr Shankar said that more than 1,24,000 Sri Lankan Tamils had sought refuge in Tamilnadu which was exerting a lot of socio-economic and political pressure on India. Their presence was definitely an economic strain on the country's resources, he said.

Recalling the mediation efforts, Mr Shiv Shankar said India was in touch with the countries who have influence with Sri

Lanka to pressurise the Sri Lankan Government to have a political settlement of the ethnic problem.

The External Affairs Minister said that the recent clarification given by the Sri Lankan Government were not satisfactory. He had asked for some more information in this regard.

Repudiating the Sri Lankan charge that Tamil terrorists were being trained in India, Mr Shiv Shankar challenged anyone to prove this allegation. He offered that the Government of India was prepared to show any international organisation that there were no such training camps in the country.

On the other hand, Mr Shiv Shankar said "we have proof in the form of photographs that terrorists who were active in Punjab were being trained in a neighbouring country".

Mr Shiv Shankar said the situation in Punjab was not alarming at all. In two districts — Gurdaspur and Amritsar — a handful of terrorists were indulging in stray incidents of violence.

Authorities have been able to control the situation in other districts of Punjab and time was not far when these two districts would also return to normalcy and local population has started cooperating with the authorities, he said.

The Constitution, he said, was conceived to bear this kind of shocks from time to time. India would remain united and come out of these crises a more strong and mature nation, he added.

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CSO: 4600/1871

INDIA

PRESS REPORTS DEVELOPMENTS IN PUNJAB SITUATION

Desai Appointment Rejected

Calcutta THE SUNDAY STATESMAN in English 22 Jun 86 pp 1, 9

[Text]

CHANDIGARH, June 21.—The Punjab Cabinet today rejected the appointment of Mr Justice D. A. Desai as the "higher legal authority" to identify Punjab areas for transfer to Haryana in exchange for Chandigarh. It repudiated the reference made to it by the Government of India.

This was announced by Mr S. S. Barnala, Chief Minister, after the Cabinet meeting this afternoon. He was vague on questions as to why he had asked for a longer period for Mr Justice Desai to take a decision last night and was rejecting the authority straightaway now. He said he had complained against the appointment of Mr Justice Desai to the Prime Minister at his meeting with him last night too. He had told him that the impression was that Mr Justice Desai had been given too little time to take a decision. An impression would have been created that the Centre had already taken a decision and Mr Justice Desai would only announce it.

This course would have lowered the prestige of the Prime Minister and he (Mr Barnala) would have been blamed for a sell out on the issue. That was why he met the Prime Minister last night. He said this authority was not a properly constituted commission with any terms of reference. He was given a letter informing him about its appointment in Delhi last evening. He was not consulted before the appointment. How could a judge decide such major things overnight?

Mr Barnala said the Prime Minister told him that this had been done as Chandigarh was to be transferred to Punjab the next morning. He told the Prime Minister that the judge's time could be extended and there had to be

terms of reference. The appointment letter did not say if the Hindi-speaking areas were to be identified. This gave rise to apprehensions that any area in Punjab could be taken away. He said the Mathew Commission verdict had gone in favour of Punjab. He said the Prime Minister should do justice to Punjab. Mr Barnala did not seem to be in a mood to reply many questions and left when questions were still being asked by reporters at the Press conference.

The Cabinet passed the following resolutions:—

"The decision of Government of India appointing Justice D. A. Desai as a 'higher legal authority' to determine 70,000 acres of Punjab areas to be transferred to Haryana in lieu of Chandigarh has come as a great shock to the people and Government of Punjab.

"The appointment of this 'higher legal authority' is not warranted even by the highly controversial Venkataramiah Commission's recommendations which had suggested the appointment of another commission and not a 'higher legal authority' which is a new innovation in the strange processes and procedures adopted by the Government of India.

"While Venkataramiah Commission had recommended the appointment of a commission to determine Hindi-speaking areas of Punjab, the reference to this 'higher legal authority' has overruled the most important provision of Hindi-speaking areas . . .

"The Punjab Government feels that the appointment of this 'higher legal authority' is really aimed at slicing away large Punjabi-speaking areas of Punjab in utter disregard and total violation of the letter and spirit of the memoranda of settlement signed between the Prime Minister, Shri Rajiv Gandhi and late Sant Longowal on July 24, 1985.

"In view of this most tragic twist given to the memoranda of settlement, the Punjab Government has decided most unhappily to reject the appointment of the 'higher legal authority' and to repudiate the reference made to it by the Government of India.

"The Government of Punjab appeals to the people of goodwill in India to extend all help for the implementation of the memoranda of settlement so that the bonds of solidarity and national integrity are not weakened."

Terms of Reference Amended

Calcutta THE SUNDAY STATESMAN in English 22 Jun 86 pp 1, 9

[Text] Mr Rajiv Gandhi has in a communication to the Punjab Chief Minister, Mr Surjit Singh Barnala, pointed out that the latter had accepted the terms of reference of the Justice Desai commission after they were amended in consultation with him, reports PTI.

An official spokesman said late this evening that the Prime Minister had pointed out that the transfer of Chandigarh to Punjab and of territories in lieu thereof to Haryana had been deferred at the request of Mr Barnala.

Mr Gandhi has requested the Punjab Government to speedily present its case before Mr Justice Desai so that his report became available within the stipulated period.

Paper: Accord 'Collapsed'

Bombay THE TIMES OF INDIA in English 22 Jun 86 p 1

[Editorial]

[Text]

As had been anticipated by us more than once by inference, if not explicit statement, the Rajiv-Longowal accord has finally collapsed. This is the obvious implication of the Punjab government's decision to reject the D. A. Desai commission which Mr. Gandhi has appointed in a bid to salvage something out of the wreckage. The Prime Minister has gone so far as deliberately to confuse the terms of reference of the new commission at the instance of the Punjab chief minister, Mr. S. S. Barnala. But this has not helped him. He is not just back to square one. He is in a much worse plight than he was in before the accord last July. He is completely stuck for any kind of policy on Punjab.

Since the day (June 12) when the Venkataramiah commission submitted its report, the Union government has engaged in a public relations exercise of less than reasonably honest kind. It fed the press false reports that an agreement whereby Chandigarh would be transferred to Punjab by the scheduled date (June 21) and 70,000 acres be made over to Haryana in lieu thereof was round the corner. It even distorted the findings of the Venkataramiah commission to make it appear that the commission had identified 45,000 acres which could be transferred to Haryana in lieu of Chandigarh. The commission had done nothing of the kind. It *had* identified 45,000 acres but said that since the villages were contiguous to Haryana it could claim them under a general boundary settlement which was to follow. In technical terms the villages fell under clause 7.4 of the accord and not under clause 7.2 which deals with compensation for loss of Chandigarh to Haryana. This has not, of course, not availed the P.R. men who dominate Mr. Gandhi's set-up. It could not have. The shocking thing is

that such an exercise in misinformation should have been engaged in on so crucial an issue. And it is equally shocking that the Union government should have sought to confuse this distinction between areas covered under clause 7.2 and clause 7.4 in defining the terms of the Desai commission. That, however, is now of no significance. The commission cannot function in the face of the Punjab government's repudiation of it.

Collapse was built into the Rajiv-Longowal accord from the very start. Mr. Gandhi wanted to appease the Akalis but he could not go the whole hog. Thus, on the one hand, he stipulated that only such Hindi-speaking areas as were contiguous to Haryana would be transferred to it from Punjab, on the other, he provided for compensation to that state in lieu of its loss of its share of Chandigarh. But the transfer of contiguous Hindi-speaking areas would be covered under the proposed general settlement and could not therefore constitute compensation. The intention was clear. It was to deprive Haryana of Abohar and Fazilka which Mrs. Indira Gandhi had awarded it in lieu of Chandigarh which she too had agreed under coercion to transfer to Punjab. But the two stipulations could not be reconciled. Mr. Justice Venkataramiah has brought this contradiction into the open. It is not for us to try and find out if and when Mr. Gandhi became aware of the trap into which he had placed himself. Now the reality glares us all in the face.

As we have argued more than once in this newspaper, the transfer of Chandigarh to Punjab on whatever date would not have even helped ease the law and order problem; in fact, the extremists and the terrorists might well have stepped up their efforts to drive out the Hindus in that event. But the survival of Mr. Barnala could be said to have become dependent on the transfer in the negative sense. On this argument, while the transfer might not have ensured the survival, non-transfer would almost certainly guarantee the fall. If this argument was valid, Mr. Barnala's fate is sealed. Mr. Gandhi will now find it virtually impossible to hand over Chandigarh to Punjab, certainly by or about the next date fixed by him (July 15).

More than semantic confusion has been involved in Mr. Rajiv Gandhi's strategy. Implicit in it has been the proposition that the transfer of Chandigarh to Punjab would win Mr. Barnala much popular following. And implicit in that proposition has been still another which is that this mass support would strengthen him to a point where he could deliver law and order.

The validity of the first proposition itself has been open to question. The second proposition has been shocking. It ignores the grim reality that the future course of Sikh politics will depend, above all, on two points: who controls the main gurdwaras and who commands the gun. And, as we all know only too well, Mr. Barnala has shown neither the will nor the capacity to control the gurdwaras, not to speak of the gunmen who roam the state without let or hindrance as if it belongs to them. One hopes Mr. Gandhi will keep these points in view when he begins to undertake the task of shaping a new Punjab policy.

TRIPATHI DROPPED FROM CONGRESS-I NOMINATIONS

Calcutta THE TELEGRAPH in English 18 Jun 86 p 1

[Article by Yubraj Ghimire]

[Text]

New Delhi, June 17: The Congress(I) Parliamentary Board tonight decided to drop the party working president, Mr Kamalapati Tripathi, and the AICC(I) treasurer, Mr Sitaram Kesri, from the list of Rajya Sabha candidates after a gruelling, intermittent session that lasted two days.

The party is yet to announce the full list of candidates. The withholding of the official announcement indicates that further changes are possible in the list of approved names.

Mr Tripathi, who had virtually revolted against the party president, Mr Rajiv Gandhi, recently over the latter's style of functioning as party chief and Prime Minister, had staked his claim till the last moment and participated in different sittings of the session since yesterday.

Mr Kesri, who was a member of the Upper House for four straight terms, was denied a ticket following a threat of cross-votings by the followers of the former Bihar chief minister, Mr Jagannath Mishra, in the state Assembly.

The party sponsored the noted economist, Mr L.K. Jha, and renominated Mrs Manorama Pandey for the Bihar seats. It also renominated the controversial

but resourceful Mr Mahendra Prasad to contest as the fifth candidate there. That means Mr Prasad will have to manage Opposition votes with the resources at his command.

The Union industries minister, Mr N.D. Tiwari, was among the five candidates renominated for the Uttar Pradesh seats. They include Mr Kapil Varma, Mr Satyapal Mullick, Dr Rudra Pratap Singh and Choudhary Ramsevak. The new nominees include Dr Ratnakar Pandey, Mr Vekal Utashi and Mr Harisingh Valmiki, unofficial reports said.

Dr Najma Heptulla, the official AICC(I) spokesperson, has been renominated from Maharashtra. Mr Banwari Lal Panwar, Mr Dhuleshwar Meena and Mr Santosh Kumar Bagodia were tipped for the three seats in Rajasthan.

In the two remaining seats of Bihar, the party is likely to nominate Mr Braj Kishore Singh and either Mr Joginder Singh Jogi or Mr S. Ahluwalia. The names of the remaining three candidates from Maharashtra are also likely to be announced tomorrow as the probables have already filed their nominations.

The party has decided to field Mr Jagdish Jani, Mr Mohapatra

and a woman tribal for three Orissa seats. The party was, however, yet to reach a consensus on the Madhya Pradesh list though Mrs Veena Varma has been tipped to fill the vacancy caused by her husband, Mr Srikanth Varma's death through a bye-election.

The names being considered by the Congress(I) for other four seats in the state include the former Indian Airlines pilot, Mr Satish Sharma, Mrs Rebelo and Mr Prajapati. The BJP leader, Mr Atal Behari Vajpayee, is contesting from Madhya Pradesh as the party is assured of one seat there.

Mann's papers in order: The nomination papers of Mr Simranjit Singh Mann, a dismissed IPS officer, for the Rajya Sabha election from Punjab were found in order today, UNI adds from Chandigarh.

Mr Mann, now under detention at Bhagalpur jail in Bihar, has been put by the dissident Akali group.

The Punjab Assembly secretary, Mr Partap Singh, who is a returning officer for the election, received a communication from the Bihar government that Mr Mann had taken the oath of allegiance to the Constitution on March 15.

/9274

CSO: 4600/1860

INDIA

WRITER DESCRIBES PRESSURES FOR SEPARATE GHORKA STATE

Calcutta THE STATESMAN in English 18 Jun 86 p 9

[Article by Chinmoy Thakurta]

[Text]

THE issue of a separate State raised by the Gorkha National Liberation Front has become so sensitive that a few youths can enforce an undeclared bandh in Darjeeling any time they like. They will appear at one corner of the main market, ring bells and tell the shop-keepers to down their shutters. In no time the market wears a deserted look. This is exactly what happened during the last bandh. There is no need for posters or pamphlets to organize a bandh.

Although development activities in the hills have been stepped up, particularly after the Sixth Plan, people are now conscious of their rights and long for a change in their present life styles. The greatest danger facing the hill areas is the loss of their natural resources—trees and land. Population increase and growing unemployment among educated youths are adding to the pressure on an already weak economy of the hills people. The drinking water supply in urban centres is inadequate and cannot cater to the growing demand. Darjeeling and Kalimpong face a virtual water famine almost every summer, at the height of the tourist season. The subsidence in the Ambutla area near Kurseong—which is described as the largest land slip of the region—continues unabated. This is a potential threat to the district's ecological balance.

All of this did not happen overnight. The GNLF issue did not receive the attention it deserved. On the surface, peace has been restored to the hills after a series of agitations launched by the GNLF, but there is an undercurrent of unrest among the hills people. Mr Subhash Ghising, the GNLF leader, is telling people that once a separate state for Gorkhas is created, they would get land and sufficient employment opportunities. "West Bengal is not our master" is a slogan which has caught the imagination of many youths.

GHISING'S MOVE

Mr Ghising and his close supporters seek to convince the Nepalis that the land belongs to them and the GNLF is doing nothing more than claiming what is rightfully theirs. Mr Ghising got an opportunity to launch the agitation in March when the Khasi Students' Union ousted the Nepalis working in a coal mine in Meghalaya. More than 5,000 Nepalis who had been thrown out of jobs in Meghalaya were dumped in West Bengal. Some of them were Indian citizens hailing from Darjeeling and Siliguri.

A pragmatic leader, Mr Ghising lost no time in telling the hill people that similar woes awaited them. "If Meghalaya can do this, why not West Bengal, which is exploiting you by taking many things from the hills and giving practically nothing in return". This exhortation by the GNLF leader readily appealed to popular sentiment, irrespective of political leanings. The dominant political forces—the CPI(M), the Congress(I) and the Gorkha League—did not dare to launch a counter-move openly, realizing the strong emotional appeal of the demand.

Even a year ago, the GNLF was only a little known organization. No one was then interested in Mr Ghising, a man in his fifties, who once served the Army for a few years. Earlier, he was occasionally seen with Congress and Gorkha League leaders. In the mid-sixties, he formed a party called Neelo Jhanda (Blue Flag) but it was ineffective because it failed to draw popular support. Its main activity was confined to organizing small meetings here and there. Mr Ghising was also associated with the Darjeeling Pranta Parishad at its initial stage. The DPP has also been pressing for a separate state for Nepalis. While it recognizes the Indo-Nepal Treaty of 1950, the GNLF, a parallel body is totally opposed to it. Reportedly, many of

the ardent followers of the DPP and the Gorkha League have entered the fold of the GNLF which is also getting support from a sizeable section of the rank and file of both the CPI (M) and the Congress (I). The GNLF activists seem to be happy at the manner in which people participated in the 72-hour bandh in May. The district administration is closely watching the situation. Mr Ghising has not issued any statement after the police firing in Kurseong in which a few GNLF supporters were killed. This has intrigued many.

OPPORTUNE MOMENT

While the GNLF activists are waiting for an "opportune moment" to go ahead with the next phase of their programme, the Centre is reportedly worried over a Nepalese connexion in the movement. The blockade of five important road links to Darjeeling district at Tistabazar, Mongpo, Tindharia, Mirik, and Dudhna during the last bandh has roused the suspicion that it was a calculated move. In a strategically situated hill district of West Bengal bordering Nepal any dislocation of transport and communication gives rise to serious concern.

Intelligence sources believe that GNLF activists have substantial funds at their disposal but there is no indication that they possess illegal arms on a large-scale. Some CPI (M) leaders and officials think funds are coming from "out side" but they are at present not ready to identify the sources. It is being argued that there has been a heavy allotment of Central funds for the adjacent hill State of Sikkim, which has a very small population. Some prominent men of Sikkim

are reported to be interested in expanding their political and business interests in Darjeeling once it gets the Status of a separate land for the Gorkhas.

Long and short-term measures are being proposed to tackle the socio-economic problems of Darjeeling.

Emphasis has been given to maintain the ecological balance of the region with particular reference to better land use, control of soil erosion, provision of irrigation, appropriate agricultural crops and expansion of sericulture and tourism. A sum of Rs 24 crores has been earmarked for such development projects during the current year, of which Central assistance is about Rs 9.5 crores.

DEMOGRAPHIC FEATURE

In the Darjeeling hill areas, the pressure of population is considerable—the density per sq km, is 226 (1982 census). As compared to other hill areas of the eastern region, the most significant demographic feature of the Darjeeling hills is the growth of population leading to heavy pressure on the limited habitable land. That apart, employment opportunities are not expanding. Result: frustration and resentment among youths.

The main political parties, the CPI (M) and the Congress, have a significant role to play if the misgivings in the minds of the hills people are to be dispelled. Vigorous efforts should be made to convince the Nepalese speaking people that their interests will not be in jeopardy if they continue to remain in West Bengal. This would considerably take the wind out of the sails of the GNLF.

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CSO: 4600/1859

INDIA

WEST BENGAL MARXIST GOVERNMENT 9 YEARS OLD

Bombay THE TIMES OF INDIA in English 21 Jun 86 p 9

[T xt]

CALCUTTA, July 20.

THE CPM-led left front ministry of West Bengal steps into its tenth year tomorrow.

This in itself is a record of sorts, as nowhere else in the world have Marxists been able to stay in office for such a length of time within a bourgeois set-up.

For the Marxists, the preceding nine years have been a new experience. They are aware that not having come to office through a revolution, they will have to operate within the framework of the Indian constitution. But even in trying to do so, they have often come up with opposition, particularly in the rural areas.

The main thrust of the left front has always been to ensure dignity for the rural masses and to provide them with a sense of participation. Accordingly, there has been a systematic devolution of power to the panchayats in accordance with the existing laws.

LANDLORDS LOSING

However, this has raised a storm of protest from the Congress because, with a change in the social structure, its mainstay in the villages, the big landlords, are today losing their once pre-eminent position in rural society.

Together with this, resentment has been roused by the "Operation Barga" which sees to ensure that sharecroppers cannot be evicted at all.

Some 1.3 million sharecroppers have already been covered by this act which again is not in any violation of rules but which has been resented by the gentry for their own valid reasons.

The introduction of a minimum daily wage of Rs. 14 for landless peasants has also brought some secur-

ity for the vast majority of rural population, who come within this category.

In a state where 200 of the 294 constituencies are entirely rural, such measures have certainly helped in the building up of a solid vote bank for the Marxists, a fact which has been demonstrated time and again.

But there is also an inherent danger, as the Marxists are aware that their limited resources may not be sufficient to meet the ever-rising expectations. Hence, the peasant organisations have been asked to intensify their activities and to "politicise the masses to make them realise that not much should be expected from the present socio-political structure".

Since the day it assumed office in 1977, the left front has made it a point to ensure that the democratic rights of the people are not interfered with.

This, however, has had its drawbacks. For instance, government employees have been able to get for themselves handsome financial benefits through their strong organisation, the co-ordination committee.

WORK CULTURE

But union leaders have not been able to ensure the development of a work culture. Similarly, the right to policemen to form associations has resulted in a degree of indiscipline and there have been quite a few instances of senior officers being insulted by their subordinates.

Even the chief minister, Mr. Jyoti Basu's repeated reminder that the "right to form associations does not mean that you should behave in an indisciplined manner" has not had the desired effect.

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INDIA

FIRST CONVENTION OF NEW TRADE UNION OPENS

Bombay THE TIMES OF INDIA in English 22 Jun 86 p 12

[Text]

JAIPUR, June 21.

THE first convention of the All-India Centre of Trade Unions (AICTU), began here today with deliberations on a policy declaration which, among other things, opposes "all attempts at automation and rationalisation in industries which will affect the jobs of workers."

The declaration said the AICTU would "rally the working class around consistent policies of class struggle and resist attacks of capitalists and the government to create dependence among workers."

The new union pledged to organise the "most exploited and unorganised workers in all regions on the basis of priority". It would help the peasant masses around the industrial centres to struggle for their demands and educate and mobilise the entire working class.

The function, the first one of its kind in the Pink City where left politics is only a minor factor, was simple and brief. By 10 a.m., the venue, a small dharmshala in the industrial area, wore a "national look" as delegates from different states gathered around the flag post. Forty dhoti-clad leaders from

Tamil Nadu, urbanite activists from industrial centres and kurta-clad unionists from mines, all presented the variety of the trade union movement in different states.

At the invitation of Mr. Mohan Punimia, president of the Rajasthan Centre of Trade Unions (RCTU), invited Mr. Hari Krishna, the septuagenarian freedom-fighter and senior trade union leader from Bihar, hoisted the flag amidst slogan shouting.

The AICTU declaration said it would function on the principle of democracy and guaranteed that the will of the workers would prevail in its activities. The principle of proportional representation would be upheld and different viewpoints given consideration.

It said the AICTU would strive for a "united trade union centre" consisting of militant trade unions having faith in scientific socialism.

The AICTU, which is being formed by a section of former leaders of the CPM-sponsored CITU, said "the revisionist policies, disruptive and splitting activities, undemocratic and dictatorial methods adopted by the CITU leaders" had forced many workers to leave the CITU. Many more were willing to do so if there was a viable alternative, it claimed.

The AICTU alleged that the CITU "instead of building grass-root unions and organising the exploited, unorganised workers, laid emphasis on all-India federation of all and sundry and splitting unions at the grassroot level." This was only to secure representation in government bodies and gain publicity, it added.

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CSO: 4600/1869

1 August 1986

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PLANS FOR YEAR'S CRUDE OIL PURCHASES REPORTED

Bombay THE TIMES OF INDIA in English 13 Jun 86 p 9

[Text]

NEW DELHI, June 17.

INDIA is expected to sign a contract with the Soviet Union tomorrow for the import of 3.5 million tonnes of crude and 2.5 million tonnes of petroleum products during the current calendar year.

The Soviet delegation is already in New Delhi and all the terms of the proposed contract have been finalised, it is learnt. A similar agreement with Saudi Arabia for the import of two million tonnes of crude has also been finalised. An Indian official delegation is in Jeddah now to conclude this agreement.

With the signing of these agreements, all the term contracts with the traditional suppliers of crude and petroleum products would have been completed. Agreements for the import of 2.5 million tonnes of crude with Iraq and 0.75 million tonnes with Abu Dhabi have already been signed.

The term contracts, which are normally finalised at the beginning of the year, could not be entered into this year because of an extremely volatile situation in the international oil market. India had, however, assured the traditional suppliers that it would enter into term contracts after market conditions stabilised.

According to official sources here, all the countries with whom contracts have been signed have agreed to supply oil at the market-related petroleum

product prices. These are highly favourable terms reflecting easy market conditions.

Although it had been argued in certain quarters that India should not enter into term contracts keeping in view the easy conditions prevailing in the international oil market, the government felt term contracts were a must on account of diplomatic considerations. It was stated that all the countries which have been supplying oil and petroleum products to India had honoured their commitment even when the spot market prices were significantly higher than the official prices.

India had decided to import during 1986 between 14.66 and 15 million tonnes of oil and 3.7 million tonnes of petroleum products.

All these spot purchases of crude totalling 6.3 million tonnes had already been made. Spot purchases have also been made for 800,000 tonnes of kerosene. Keeping in view the growing demand, notably for kerosene, the government has signed a flexible agreement with Kuwait for the import of 0.6 to 1.2 million tonnes of kerosene during the current year.

The agreement with the Soviet Union will provide for the import of 0.5 million tonnes each of high-speed diesel and furnace oil and 1.5 million tonnes of kerosene.

Since the Soviet agreement is part of the overall trade agreement, all the payments in this case have to be made in rupees which lend an added advantage.

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CSO: 4600/1864

INDIA

SEVERE DROUGHT REPORTED, ASSAM CROPS DESTROYED

Bombay THE TIMES OF INDIA in English 18 Jun 86 p 17

[Text]

GUWAHATI, June 17: Assam is gripped by a severe drought. About 60 per cent of the pre-kharif crop in the Brahmaputra valley, including the two hill districts of Karbi-Anglong and North Cachar, have been wholly or partially destroyed because of scanty rainfall.

The state government is partly to be blamed for the poor show on the agricultural front. It has failed to provide the basic infrastructure for agriculture during the last 39 years. The consumption of fertilisers continues to be the lowest in Assam.

Double and multiple cropping is confined to only a few districts and farmers have shown little enthusiasm for adopting new methods of cultivation, primarily because the government has failed to reach out to the peasants. Consequently, farmers are still at the mercy of the vagaries of the weather gods.

The annual floods destroy large areas of cropland during the monsoon, and because of inadequate irrigation facilities, few crops can be raised in the dry season. Against an all-India average of 60 per cent irrigated land, in Assam, only 13.11 per cent of the total cultivation is done under irrigation.

So far, only 587 minor irrigation schemes have been completed. There are 681 on-going schemes. Once all the ongoing schemes are completed, 30 per cent of the total cultivated area in Assam will hopefully come under irrigation.

All the schemes are scheduled to be completed by the 7th five-year plan, but much depends on the availability of resources. While the working group of the planning commission has recommended Rs. 313 crores for major and medium irrigation schemes for the next plan period, the actual allocation has been Rs. 157 crores.

Similarly, only Rs. 160 crores has been sanctioned for minor irrigation, though the working group had sought Rs. 257 crores.

INDIA

BRIEFS

ORISSA RANGE--Mr Biju Patnaik, president of the Orissa unit of the Janata Party and leader of Opposition in the State Assembly, and Mr Nilmony Routray, former Chief Minister of Orissa, have protested to the Prime Minister against the location of the national test range of Baliapal in Balasore district. In the absence of any response to two letters from the Prime Minister, the president of the party Mr Chandra Shekhar, has appealed to the President to intervene. The setting of the project at Balliapal will displace nearly 100,000 farmers, fishermen and workers and will ruin them, Mr Chandra Shekhar said, adding that it would be disastrous for the ecology of the area. Nowhere else in the world has such a test range been located in a populous area, the Janata Party leader said. When a similar test range was set up at Cape Kennedy in the USA, not a single person was displaced, not a single house demolished and not a single acre of agricultural land acquired, he added. "Britain has such testing facilities in the vicinity of the Victoria desert of Australia, France has located its test range far away in French Guiana. The USSR has such a facility in the wilderness of Siberia. [Text][Calcutta THE STATESMAN in English 25 Jun 86 p 11]/12828

NEW WAKF LAW--The amended Wakflaw, extending from 12 years to 30 the period of limitation for filing suits for recovering possession of Wakf properties, has come into force. This will enable state boards and other Wakf authorities to undertake proceedings for recovering properties "under adverse possession for a period up to 30 years." Under another provision, property under the administration of the Evacuee Property Act and later handed over to the Wakf boards will be deemed transferred to the boards. This will nullify legal objections to the authority of the Wakf boards to administer these properties. Addressing a meeting of ministers in charge of Wakf and chairmen of Central Wakf boards, the minister of state for welfare, Mrs. Rajinder Kumari Bajpai, said augmenting the resources of the Wakfs assumed high priority. She said the Central Wakf Council had formulated a scheme to extend loan assistance to the state Wakf boards and institutions for implementing their developmental projects. This assistance has so far totalled over Rs. 4 crores. Mrs. Bajpai also wanted the Wakf boards to ensure that the income of the Wakfs was used for the objectives for which they were created. She wanted the ministers for the state governments to consider exemption of Wakf properties from rent control acts, tenancy and land acquisition laws, and inclusion of these properties in the definition of public premises. Some states have already exempted such property from rent control laws. [Text][Bombay THE TIMES OF INDIA in English 25 Jun 86 p 9]/12828

1 August 1986

JANATA LEADERS' STATEMENT--The Janata party has criticised the Centre for "reducing the Chandigarh transfer to a farce." In a joint statement issued today, the Janata party genral secretaries, Mr Yashwant Sinha and Mr Anantram Jaiswal, said the government of India could not have made a "greater mess" of the issue. Pointing out that the Punjab accord itself was "badly drafted," the two leaders felt that the present impasse over the territorial settlement had occurred because nobody "cared to examine the draft and visualise its feasibility." They ascribed the repeated postponement of the transfer to the government's failure in forseeing the difficulties involved, and charged that the Prime Minister, Mr Rajiv Gandhi, was interested "only in showing off." Reminding the Prime Minister that the affairs of state do not often admit "push-button solutions," the Janata Party leaders also said that nothing could have been more "childish" than asking the Desai Commission to submit its report within twelve hours. They were sceptical whether the Centre would now be able to keep the new deadline. [Text] [Calcutta THE TELEGRAPH in English 22 Jun 86 p 4]/12828

VISAS FOR PAKISTANIS--Islamabad, 17 Jun (DPA)--In an unexpected move, the Indian embassy here today stopped issuing visas to prospective Pakistani visitors to India. A notice put up outside the visa section of the embassy said the facility had been suspended "till further order," but gave no explanation. The Indian ambassador, Mr S. K. Singh, told newsmen at a diplomatic reception that the action was necessitated by the shortage of staff after four embassy officials were attacked by militant Canadian Sikhs in Lahore recently. The incident further soured relations between the two countries, which were already tense after Indian allegations that Pakistan supported Sikh terrorism in Punjab. A spokesman for the Pakistani foreign office said his government had not been informed of the embassy's decision not to issue visas to Pakistani nationals. [Text] [Calcutta THE TELEGRAPH in English 18 Jun 86 p 1] /9274

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